



DAILY REPORT

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MASSERA SEES U.S. AS 'ENEMY' TO ARGENTINES

PY221722 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1325 GMT 19 Feb 83

[Excerpt] Buenos Aires, 19 Feb (NA) -- Former commander in chief of the Navy Adm Emilio Massera stated today that the war over the Malvinas has shown that we Argentines "have an enemy that is worse than Great Britain and that enemy is the United States." He also lamented that "we are trying to hide [this fact] and secure the good graces of the United States."

Regarding this topic, he added that it is not his intention to "declare war on the United States," but to get "Argentina to clearly define an independent policy, whether the Americans like it or not."

On the other hand, he scored "the persistent insults against the Armed Forces" and stated that he has been hurt by this type of attitude, because within the military institutions, "as within civilian institutions, there are worthy people and there are persons who do not belong in the two sectors."

He believes that it is more important to plan for the future than to resort to insults "in the struggle for power."

Massera, who made these statements to Radio Mitre, agrees with the political leaders regarding the need to refinance the foreign debt by negotiating directly with the creditor banks and not with the IMF.

He also predicts that if this is not done, "then Argentina will continue to drown, not only next year," but "for many years to come, because the current situation precludes any type of analysis."

WEHBE RETURNS FROM U.S. VISIT, DENIES RUMORS

PY221815 Buenos Aires DYN in Spanish 1920 GMT 21 Feb 83

[Excerpts] Buenos Aires, 21 Feb (DYN) -- Today, Economy Minister Jorge Wehbe denied disagreements with the military junta. Wehbe also stated that "there was no mistake in estimating the foreign debt figure, but rather a misunderstanding with figures."

In statements made at Ezeiza International Airport upon returning from the United States this morning, the economy minister denied that the military junta has "urged" him to determine the exact figure of the foreign debt as soon as possible.

The minister justified the \$6 billion difference between the announced foreign debt figure, arguing that "the private enterprises had to submit a sworn statement [of their debts], and that only a few of them were submitted 2 weeks ago."

Wehbe then stated that the difference between the foreign debt figures was due to exchange insurances, adding that "the exchange insurance figures were submitted to me in such a way that I thought they were separate accounts. This was the source of the problem. Nevertheless, the Central Bank's records are very exact."

The economy minister said he was "unaware" of the foreign debt figure reported by an Air Force spokesman "because I was abroad." At the same time, Wehbe declined to comment on whether the possibility of imposing a "social truce" is being studied.

Wehbe also declined to answer a question as to whether the negotiations with the IMF to obtain a "standby" loan had been carried out on the basis of a foreign debt figure of \$43 billion or of \$37 billion. Wehbe stated, however, that "as far as I know, the negotiations were not carried out on the basis of any specific figures. The IMF officials worked with scores of Argentine Government officials and I am not aware whether any of them was asked to give any specific figures."

Wehbe made it clear that "we will disclose the conditions of the "standby" loan soon in order to end speculations and rumors."

The economy minister rated as "rumors" reports about his resignation. At the same time, he hinted at the possibility of changes in the economic line upon stating that "I have never been dogmatic and I have always been against rigid structures."

JUNTA SUBMITS DIVERSE GUIDELINES TO BIGNONE

PY162148 Buenos Aires TELAM in Spanish 1040 GMT 16 Feb 83

[Excerpt] Buenos Aires, 16 Feb (TELAM) -- A high-ranking military source has reported that the document that the military junta has submitted to the president contains government guidelines that will be implemented in February.

The source explained that these are guidelines pertaining to the domestic situation, foreign policy, the situation in the labor sector, illegal actions, and the aftermath of subversion. The source also noted that an analysis of the socioeconomic situation will be submitted to the executive branch within a few days.

After noting that the dialogue with political leaders may be extended to a second round of meetings with the new political party officials elected in internal party elections, the source added that the military junta paper includes specifications about the political dialogue but that it does not establish guidelines for those plans that have already been established by President Bignone.

Asked whether the paper submitted to the president provides for or will result in changes of high-ranking government officials, the spokesman categorically said: No, there are no changes of government officials foreseen for the time being. Moreover, the timetable to achieve the institutionalization of the country will be fulfilled.

He also reported that the report on missing persons will be issued during the first 2 weeks of March, and that despite the fact that an anti-terrorist law is not under study, this may well be one of the subjects discussed in the dialogue with political leaders.

About the report on the Malvinas Islands conflict, the source said that this report will be issued in May since more elements of judgment and more declarations are needed for the final draft of the report. About the situation of the archipelago, and speaking about the United Kingdom, the source said that we must make them pay a high price for the occupation and we must also establish a policy about the properties they have in our country.

After stating that the lifting of the state of siege is under study, he noted regarding the southern border conflict over the Beagle Channel that the general strategy is that negotiations must continue in order to improve the papal proposal but always keeping in mind that whatever the result, it must be approved by the National Congress.

POLITICAL PARTY STATUTE AMENDMENTS ANNOUNCED

PY161710 Buenos Aires CLARIN in Spanish 5 Feb 83 p 2

[Text] The executive branch has approved a law which modifies the political parties statute as far as the time is concerned within membership cards be submitted to the courts. Each party will now be able to do this, beginning 30 March. This change, which was officially announced by President Reynaldo Bignone late last year, is in keeping with the government's decision to advance the deadline established earlier for expediting the internal reorganization of political parties. Earlier, the law established a 6-month deadline for the presentation of membership cards to the courts, which was far longer than the deadline established now.

The amendment was introduced by changing the wording of article 72 of the statute (Law No 22,627), which will now read as follows:

"Article 72. 1. All recognized political parties which have complied with the provisions of article 70 will have 6 months to prove that they have the minimum number of members required by article 7, section 4. This period will be computed as of the time of delivery of the membership cards to the court overseer [veedor judicial] by the courts as provided by article 28, section C. The registration of members can be done throughout the entire period established in this section.

"Those parties which prove to have the required minimum number of members may limit the compulsory registration period to 30 March 1983, if the deadline goes beyond this date.

"All membership cards submitted to party officials or to the court overseer by internal party factions which had not been questioned on solid grounds within 15 days after the closure of the compulsory registration period, will be considered as approved and will be included on the party's list. The period established in the first paragraph of article 30 is thus modified for the purpose of the current process of reorganization of political parties.

"All memberships in political parties existing as of the enforcement of this law hereby canceled.

"For all intent and purposes, only memberships registered through the cards referred to in this section will be considered valid.

"2. Within the same period, each party will have to present the adjusted version of its declaration of principles, of its political platform and charter, as the case may be. Within 15 days upon presentation of these documents, the judge will decide, after hearing the opinion of the state prosecutor, whether they are duly in keeping with the present rules, or he will specifically note those aspects meriting objection.

"3. Once the documents proving compliance with the requirement concerning the minimum number of members established by article 7, section 4, have been presented, the judge will have 15 days to decide whether to recognize the party or not.

"4. Once recognition has been obtained and within 90 days upon the closure of the compulsory registration period referred to in section 1 or this article, the party authorities will have to call and hold internal elections of new party authorities in keeping with the provisions of its charter and of article 7, section 6."

Article 74 of the statute was also modified. Its new wording will now read:

"Article 74. For the purpose of the first election of party authorities, those provisions of the party's charter establishing seniority requirements for a member to run for a party's office will not be applicable. District electoral boards for this election will be chaired by the court overseer and will consist of the legal representatives of each list. At the request of the respective electoral board, the judge will decide -- and his decision cannot be appealed -- on the rules which will govern the election, the place where it will be held and the appropriate security measures."

Originally, article 74 did not include the above paragraph: "At the request of the respective electoral board, the judge will decide -- and his decision cannot be appealed -- on the rules which will govern the election, the place where it will be held and the appropriate security measures."

MID FIRST PARTY TO MEET STATUTE REQUIREMENT

PY162143 Buenos Aires DYN in Spanish 1614 GMT 16 Feb 83

[Text] Buenos Aires, 16 Feb (DYN) -- Former president Arturo Frondizi announced at noon today that the Integration and Development Movement (MID) is the first political party to meet the requirement, established by the electoral law, concerning the percentage of voters in the 24 districts of the country.

Frondizi said that his party has thus far registered 124,100 affiliation cards throughout the country. He explained that this number is larger than the 0.4 percent required by the political party statute.

Frondizi made the announcement during a press conference he hosted at noon at MID headquarters in Buenos Aires. He added that the registration of affiliation cards will continue because the law has set 31 March 1983 as the closing date for registration.

Frondizi also announced that President Reynaldo Bignone will receive the MID leadership next Monday at 1600 at the Olivos presidential residence. The meeting will be held within the context of the political dialogue sponsored by the government. The former president stressed "that this is the answer to so many people who in good or bad faith wondered whether we were a national party. This shows that we are not mere followers of a doctrine, because there is an organization supporting our ideology."

ANGOLAN OFFICIAL ARRIVES FOR TRADE TALKS 18 FEB

PY182255 Buenos Aires Domestic Service in Spanish 2000 GMT 18 Feb 83

[Text] Manoel Fragata de Morais, director of the Latin American Department of the Angolan Foreign Ministry, arrived in Argentina this morning. The Angolan official indicated that the purpose of his visit, the first that a mission of his country is paying to Argentina, is to discuss the development of relations between the two nations, especially in the field of trade.

Morais added Angola is interested in purchasing grain and meat and explained that trade between Argentina and Angola started in 1978 and now amounts to some \$30 million. He said that what we will buy now will supply our people for a year, and added that Angola has 8 million inhabitants and consumes 80,000 tons of grains and some 15,000 tons of meat per year.

SILES TO RECEIVE BRAZIL'S FIGUEIREDO FOR TALKS

PY221514 Paris AFP in Spanish 1638 GMT 19 Feb 83

[Text] La Paz, 19 Feb (AFP) -- The Foreign Ministry in La Paz reported today that Brazilian President Joao Figueiredo has agreed to meet with President Hernan Siles Zuazo in Bolivia, on a date to be determined in the very near future, in order to update economic cooperation agreements.

In a letter addressed to the Bolivian chief of state, Figueiredo says: I agree with Your Excellency that it would be useful and beneficial to hold a meeting on a date that can be opportunely agreed upon through diplomatic channels.

In his letter, the Brazilian president expresses his desire that Bolivia's landlocked situation can be overcome within the framework of the ideals of American peace and fraternity. Bolivia lost an extensive pacific coastline to Chile during the 1879 war, in which Bolivia was allied with Peru.

SILES, VELARDE INVITED TO VISIT HUNGARY

PY191924 Paris AFP in Spanish 0310 GMT 19 Feb 83

[Text] La Paz, 18 Feb (AFP) -- It was officially reported here today that Bolivian President Hernan Siles Zuazo and Foreign Minister Mario Velarde Dorado have been invited to visit Hungary. The invitation was made by Hungarian Charge d'Affaires Gabor Bandofai.

Siles Zuazo's visit to Hungary might conceivably take place next month during his European tour of France and Spain. However, this possibility seems to be remote, since the government has officially announced that the president has decided to cancel his trip to New Delhi, where the nonaligned summit meeting will be held from 4 to 6 March.

NICARAGUA TO GRANT AID IN EDUCATION SECTOR

PY221457 La Paz Radio Illimani Network in Spanish 1100 GMT 22 Feb 83

[Excerpt] The Nicaraguan Government, through its ambassador, Ramon Leets, announced that it will help Bolivia in the education field, especially in literacy campaigns.

This announcement was made by the Nicaraguan ambassador to Education Minister Enrique Ipina Melgar during a meeting.

FOREIGN SERVICE REORGANIZED, BUDGET CUT

PY221446 La Paz Cadena Panamericana in Spanish 1130 GMT 22 Feb 83

[Excerpt] President Siles Zuazo has signed a decree reorganizing the Bolivian foreign service and cutting down this sector's budget by 30 percent.

This announcement was made by Foreign Minister Mario Velarde Dorado yesterday after a meeting held with President Siles Zuazo.

MACHICADO REPORTS FINANCIAL SITUATION TO NATION

PY220325 La Paz Radio Illimani Network in Spanish 0117 GMT 22 Feb 83

["Televised" speech to the nation by Finance Minister Flavio Machicado in La Paz -- live]

[Excerpts] At this time we are going to talk about two major budgets: the budget of the state, of the government; and the country's budget in relation to other countries. The former is known as the public budget and the latter, the country's balance of payments.

The deficit of the Bolivian state, in keeping with existing requirements, without major changes in salary increases and other types of expenditures which might arise throughout this year, might exceed 100 billion Bolivian pesos, or more than \$500 million by December 1983. Therefore, the Bolivian people should take into account this reality. If we want to move on without problems, we will have a deficit of more than 100 billion Bolivian pesos.

By looking at this other chart which gives figures on the government's income you will note the following: that the government will have a total income of 291.3 million pesos under commodities and only 44.6 million pesos under services.

We are hoping to receive \$1,267,000,000 this year. As you have seen, government-owned enterprises will need \$462 million in foreign currency to recover. We estimate that the private sector will use \$303 million but only to reactivate the national economy or to import basic foods and medicines. We must also take into account that if we do not renegotiate the foreign debt this year we will have to pay \$599 million of the amount we hope to receive. Thus, the country's overall balance will yield a \$220 million [as heard] deficit. To close this long list of figures, trusting that the press will tomorrow carry these figures so that experts can make better use of them, I want to relate some thoughts and reach some conclusions about the things that are now worrying the government and the economic team.

The main conclusion is that the economy has restrictions or ceilings beyond which there will be issuance of currency without backing [words indistinct] of price increases. Thus, within these limitations, all those who speculate are undermining the people's well-being and politically destabilizing democratic order and also putting in jeopardy the possibility of restoring economic order and social peace. In sum, they are against the fatherland. Furthermore, the national Constitution clearly states that any expenditure which is not budgeted must be financed through new taxes, which can only be approved by the legislature. I want to emphatically state that the problem can be solved only through respect for the law.

In our dialogue with political, union and business leaders we hope to find understanding and above all solidarity with the desires of a people who want to build for the future within the framework of the Constitution, which they fought to restore in the recent past. Thank you. Good night.

BODIES OF MISSING POLITICAL LEADERS DISCOVERED

PY191912 Paris AFP in Spanish 2239 GMT 18 Feb 83

[Text] La Paz, 18 Feb (AFP) -- The bodies of 14 political and union leaders, missing since the coup of Gen Hugo Banzer Suarez in 1971, were discovered this afternoon in a common grave by members of the Bolivian Human Rights Permanent Assembly, reporters and leaders of the Bolivian Labor Federation [COB].

It is horrendous to verify the crimes and murders committed in the past under dictatorial regimes, a leader of the organization for the defense of human rights stated in great distress.

Some of the identified bodies include miners union leaders Cancio Plaza and Daniel Arroyo. Their autopsies have revealed the cause of death was internal hemorrhaging.

According to the Human Rights Permanent Assembly, the number of missing persons during the past decade amounts to more than 140 people.

Banzer Denies Responsibility

PY221623 Paris AFP in Spanish 1333 GMT 21 Feb 83

[Text] La Paz, 21 Feb (AFP) -- When a government has no bread to give to its people it resorts to gimmicks, former Bolivian President Hugo Banzer Suarez stated today in Santa Cruz -- 1,000 km east of La Paz -- when commenting on the discovery of 14 bodies of political, student and union leaders, which were illegally buried during his regime.

Banzer Suarez expressed his surprise at the discovery and denied his government's responsibility for the deaths.

Nevertheless, the commission that is investigating cases of missing politicians has identified the 14 bodies and it has determined how and where these persons were killed.

In this regard, the influential newspaper PRESENCIA carried the following in one of its editorials: "We are in the face of a blatant crime because the bodies are not an invention of the mind. These persons are no longer missing because their bodies have been found, and they obviously did not die in combat but were executed without standing trial. Denying these clearcut facts would mean that there are individuals who believe that people are extremely stupid."

Banzer's Claims Rejected

PY221938 Paris AFP in Spanish 1210 GMT 22 Feb 83

[Text] La Paz, 22 Feb (AFP) -- The commission that is investigating cases of missing persons in Bolivia has categorically rejected a note from former President Hugo Banzer Suarez (1971-78) in connection with the discovery of bodies that were illegally buried in 1972.

The commission stated today that no president that has violated human rights, infringed upon democratic freedom, massacred peasants and mineworkers and protected Nazis such as Klaus Barbie can claim dignity and prestige for himself.

Banzer Suarez had accused the commission of resorting to gimmicks aimed at distracting the people's attention in the wake of the discovery of 14 bodies of opponents to the military regime, which were illegally buried in 1972.

The commission is made up of members of the Bolivian Labor Federation, congressmen, press workers, servicemen and members of the Association of Relatives of Missing Persons.

The bodies that were discovered include three Argentine citizens, one Chilean citizen and Bolivian professionals, peasants, mineworkers and students.

NEW OIL SUPPLY CONTRACTS NEGOTIATED WITH SAUDIS

PY222006 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Feb 83 p 27

[Excerpts] Petrobras President Shigeaki Ueki has gone to Saudi Arabia, where he arrived yesterday, in order to negotiate new contracts for the supply of oil to Brazil, Petrobras sources reported. Brazil will thus take advantage of the current slump in international oil prices. Saudi Arabia, Brazil's largest oil supplier, sells 240,000 barrels of oil a day to Brazil. Petrobras technicians admit that a \$1 reduction in the Saudi oil price represents a \$240 million annual saving for Brazil. Saudi oil prices are fixed on the basis of the OPEC reference price of \$34 a barrel.

Petrobras sources have pointed to the timeliness of Ueki's trip, since he will be able to sign new oil supply contracts at a time when oil prices are going down. Petrobras believes that it will be "very difficult" to estimate the FOB price of oil on the basis of average prices. The enterprise has not reported whether it has already received new offers for oil purchases on the basis of the new price of British oil similar in quality to Nigerian, Algerian and Libyan oil.

BIS LOAN FALLS DUE, RENEGOTIATION REQUESTED

PY221500 Sao Paulo FOLHA DE SAO PAULO in Portuguese 20 Feb 83 p 6

[Text] Last Friday Carlos Langoni, president of the Central Bank, telexed the president of the Bank for International Settlements (BIS) requesting the renegotiation of the terms of payment for the 1.2 billion bridge loan [given in English] granted by that bank to Brazil in early January. Langoni's request was reiterated by Finance Minister Ernane Galveas in a letter addressed to the ambassadors of the countries whose central banks form the BIS. In their requests Langoni and Galveas point out the urgent need to renegotiate the payment date in view of the difficulties which Brazil is facing to complete the financial program that is being negotiated with international banks.

At the beginning of the year the BIS, which is considered to be "the central bank of the central banks," granted a loan directly to the Central Bank of Brazil. This loan, in addition to the \$1.4 billion credit granted by the U.S. Government -- which was announced during President Reagan's visit in November -- and other operations carried out with private banks, have allowed Brazil to meet its commitments in the international market. Despite the BIS loan being an emergency loan it was supposed to be paid back in a short time. The government expected to pay the loan back as soon as Brazil received the loan, it is negotiating with the IMF and other private banks. However, the government's estimates failed since these negotiations are taking longer than expected. As a consequence it has had to request that the BIS renegotiate the payment date of the loan.

DELFIN NETTO INTERVIEWED ON DEVALUATION

PY222312 Sao Paulo Radio Bandeirantes Network in Portuguese 1600 GMT 22 Feb 83

["Exclusive" interview granted by Brazilian Planning Minister Antonio Delfim Netto to Bandeirantes Radio and Television Network in Brasilia on 22 February -- recorded]

[Text] [Question] Mr Minister, what are the prospects for the Brazilian economy now that we have already gone to the IMF and have implemented a devaluation?

[Answer] First of all, the people must understand that all these measures are aimed in the same direction. What we want is to increase employment and to grow a little bit faster. What is the obstacle that we must overcome to achieve this? The balance of payments. Therefore, what the people must understand is that in-depth measures such as maxidevaluations are proper measures that seek the right objective, which is to expand exports thus increasing employment, and also to replace imports with locally manufactured goods. This too increases employment.

You can see for yourself that in Sao Paulo there are industries which are laying off employees because they cannot export their goods while other industries are rehiring personnel because they can export.

You should not be worried by the maxidevaluation. Its objective is to increase employment. Why else did the incoming Spanish socialist administration devalue the peseta as its first government action? Why else did the new Swedish socialist administration devalue the krona as soon as it took over? Why else did Mitterrand's socialist government allow an almost 50-percent devaluation of the franc in less than 18 months.

All this shows that, first of all, there are no differences between economic models. There are just more intelligent measures and less intelligent measures. There are measures which call for less courage and others that call for more courage. A devaluation is an intelligent measure which calls for a great deal of courage. This measure truly increases employment and stimulates economic growth without causing problems to the balance of payments. This is the key aspect that you must keep in mind.

[Question] This is one question which all Brazilians are asking now. Why was the maxidevaluation surrounded by so much secrecy?

[Answer] I think that this is one of the most interesting questions. I recall Prof [Franco] Montoro saying on television that before implementing a maxidevaluation we should have talked to housewives, to the unions, etc. In fact, if we were to do this, it would be the most unique maxidevaluation in the world: a maxidevaluation decided in advance at a general assembly of the people.

Anywhere in the world, even in the most democratic places such as the Soviet Union [as heard], a devaluation is made secretly. In the less democratic places such as England [as heard] a maxidevaluation is implemented secretly. And it is only natural that this should be so because if when a rumor is circulated that gasoline prices are going up long lines appear at the service stations. Can you imagine what would happen if a maxidevaluation was to be announced in advance. All measures of this kind imply a certain amount of secrecy. They require a certain amount of secrecy. This secrecy is designed to protect the society and not to harm it.

In the case of this maxidevaluation there was some concern, the concern of the businessmen that it could have led to a gigantic price hike. So far the maxidevaluation has had no effect on the February price level. The businessmen could try to take advantage of it but I do not think that this will happen. I honestly believe that the businessmen are learning. They know that what they did in June regarding the Finsocial [Social Investment Fund] and I do not think that they will do it again merely to speculate.

The maxidevaluation has been implemented together with other measures that compensate for it. The maxidevaluation was implemented along with a reduction of IOF [Financial Operations Tax] on basic raw materials which in turn means lower costs. The maxidevaluation is bound to lead to a reduction of interest rates, which also means lower costs. For those enterprise that export their goods, the maxidevaluation should mean an increase in production, which in turn leads to the lowering of costs and an increase in employment.

There remain the prices of imports, such as the price of oil and wheat. The oil price increase we will absorb throughout the year, as we have done before, without any great trouble. The same thing will happen with the increased wheat price; we will absorb it throughout this year. Therefore, I want to tell the workers that they should not worry about speculation concerning the maxidevaluation. The maxidevaluation is an expedient which countries in need of adjusting their balance of payments have resorted to in order to help themselves, by shifting their foreign exchange rate. This is done both in the capitalist and the socialist worlds. It is important to understand that the maxidevaluation is a well-known tool, and it will not be eliminated -- as your question insinuates -- because we would just continue with the policy of minidevaluations which has been followed until now. People must know that in the last 18 months the average devaluation of European currencies has been 32 percent, exactly the percentage by which we are adjusting the Brazilian currency in order to restore the margin of competitiveness we had 18 months ago. Why did we wait so long? We did so in the hope that the dollar would weaken a little and our currency would rebound while we were watching the first signs of recovery in the United States. Since this did not happen, it was only natural for us to adopt measures to protect Brazilian workers. The maxidevaluation came about to protect Brazilian workers, to increase employment in the export sector, to make imports more expensive so that they can be produced in Brazil. It protects the Brazilian workers both ways.

[Question] What about supplementary measures?

[Answer] We adopted a series of supplementary measures, and there are a few more things that we will do during this week. We are greatly worried about dollar-indebted enterprises and we will help them to pull through their difficulties, provided they also help themselves, provided they are willing to go the exports route. For enterprises which have smaller problems, the BNDE [National Economic Development Bank] will come out with three programs this week, or next week: A Funpar [expansion unknown], a capitalization program to assist enterprises to overcome problems created by the maxidevaluation; a program of exports, of complementing investments for exports; and a program for complementing small import substitution. This way, the enterprises will have tools to work with, and consequently to cope with their external commitments.

[Question] What about the interest rates?

[Answer] A simple uncoupling of the monetary and the exchange corrections; the prospect of an exchange correction higher than the monetary correction should bring the interest rates down to at least the level of international rates.

[Question indistinct]

[Answer] I believe that we have a slightly higher inflation rate than we did at the beginning of the year. We will continue striving to lower it, but we will not change monetary and fiscal policies. I hope that the inflation rate will be somewhat lower than [words indistinct].

[Question indistinct]

[Answer] I believe that this is fundamental, despite the results in January and February, which are not yet satisfactory. But it is my conviction that we will move rapidly toward the surplus we need.

[Question indistinct]

[Answer] This (?trade surplus) is an absolutely necessary goal.

[Question] Regarding industry, won't import restrictions create more recession?

[Answer] [Words indistinct] we are really forcing some internal substitution. To the extent that we succeed with internal substitution, we will have some degree of development. Take the case with aluminum; we were importers of aluminum, but thanks to the development of the national aluminum industry today we are exporting more than 100,000 tons of aluminum, thus generating employment and [word indistinct].

[Question indistinct]

[Answer] I believe you are quite correct. We need to talk seriously about interest rates.

[Question indistinct]

[Answer indistinct]

SURINAM'S NAARENDORP ASSURES NO SOVIETIZATION

FL211941 Bridgetown CANA in English 1914 GMT 21 Feb 83

[Text] Brasilia, Feb 21, CANA-REUTER -- Suriname's Foreign Minister Harvey Naarendorp assured Brazilian officials today that his government was not trying to turn the former Dutch colony into a Soviet satellite, a Surinamese diplomat said.

Mr Naarendorp, who goes on to Argentina tomorrow, had talks with Brazilian Foreign Minister Ramiro Saraiva Guerriero on bilateral, regional and international affairs.

The diplomat said the minister attempted to counter the impression given in some foreign press reports of the direction Suriname was taking.

"The foreign minister himself has declared it repeatedly: Suriname is in Latin America and the Caribbean...it does not belong to any orbit," he said.

The Netherlands has accused Suriname's leader, Lieutenant-Colonel Deysi Bouterse, of ruling by terror and has suspended development aid worth over 100 million dollars a year. The Dutch action followed the shooting of 15 opponents of the government, alleged to have been involved in an abortive coup.

CARVAJAL CALLS FOR END TO U.S. ARMS EMBARGO

PY221734 Paris AFP in Spanish 0127 GMT 20 Feb 83

[Text] Santiago, 19 Feb (AFP) -- Today Chilean Defense Minister Vice Adm Patricio Carvajal stated that we are interested and it would be a sign of friendship if the United States once and for all lifted the embargo on arms sale to Chile.

He added that it would be very important for Chile to be able to acquire arms from a traditional supplier of the Chilean Armed Forces such as the United States. He pointed out that the two countries maintain good political and economic relations.

He recalled that the U.S. Government has not properly documented its request to Congress to finally approve the lifting of the arms embargo to Chile which was implemented in compliance with the Kennedy amendment.

The secretary of state, who was appointed defense minister by President Augusto Pinochet a week ago, denied that the country is isolated and that it has a weak defense system.

Carvajal stated that Chile has the means and desire to defend itself, to defend its territory, to defend what belongs to it and that the talk about Chile's isolation is relative since we have several countries which supply us with the arms we need.

Vice Adm Patricio Carvajal explained that the Armed Forces, on no account, will make purchases which may jeopardize the country's development or the priority treatment which the government has granted to its social welfare.

He pointed out that his Ministry is determined to make the most of the Armed Forces' tight budget. We are not engaged in an arms race but in fulfilling our duty which is to defend the country in the case of attack.

PINOCHET DENIES DISAGREEMENT WITHIN ARMED FORCES

PY221300 Paris AFP in Spanish 2225 GMT 18 Feb 83

[Text] Osorno, Chile, 18 Feb (AFP) -- Chilean President Augusto Pinochet has charged that the opposition is spreading absurd rumors to undermine the stability of his government. President Pinochet also reasserted the strong unity within the Armed Forces and that they support him.

Pinochet noted that since September 1983 when the military junta assumed power, "demagogic sectors live under the illusion of the absurd rumors they spread but which later they have to swallow."

Pinochet thus denied rumors that were circulating at the beginning of February about alleged disagreements within the government hierarchy.

He noted that no one is taken by surprise by the rumors that are spread by demagogues "which are based on the weapon that demagogues know best how to handle lies."

Pinochet said: But let those who are selfish and have a negative attitude, those who are involved in spreading rumors, to satisfy themselves in this while we concern ourselves to looking ahead and in working for a future of development.

He added: The Armed Forces which are strongly united, are always willing to keep institutional order in the country and look after the security of its inhabitants.

Speaking on Thursday evening during a ceremony in Osorno, located 975 km south of Santiago, Pinochet noted that the strength of the government which is based on the unity of the national defense institutions and the citizens' support, exasperates demagogues.

Pinochet's visit to Osorno is part of a 17-day tour throughout the southern region of Chile. The tour, which started on Monday, will end in the southern port of Punta Arenas, located 2,500 km from Santiago.

PURCHASE OF BRITISH NUCLEAR REACTOR DENIED

PY222015 Paris AFP in Spanish 1517 GMT 22 Feb 83

[Text] Santiago, 22 Feb (AFP) -- The Chilean Nuclear Energy Commission [CCEN] denied today the purchase of a British reactor which, according to press reports released in London, will reportedly allow Chile to manufacture dozens of atomic bombs before the end of the century.

This sounds like science fiction, CCEN director Col Juan Mir stated, commenting on a report by the London daily THE NEW STATESMAN.

According to this newspaper, Chile will reportedly purchase a 300 mw Magnox reactor, in a secret operation which is reportedly supported by the government of Prime Minister Margaret Thatcher.

According to a decision made in 1979, Chile will check within 2 years whether it is economically feasible to purchase a nuclear power reactor, and only then will it consider the possibility of including a reactor in the national energy plans, Mir stated.

The country has two low-power reactors now, one of five megawatts and the other of 10 to 20 mw. The reactors are being used for scientific research and for the production of radioisotopes for use in medicine, industry and agriculture.

The first (La Reina) was sold 15 years ago by Great Britain, the country which continues to supply Chile with uranium. The other (Lo Aguirre), which has been operating for 9 years, was purchased from Spain, though the fuel it uses is from France.

According to the Anglo-Chilean agreement signed in 1968, which includes strict conditions, the cooperation which exists between the two countries only provides for the peaceful use of nuclear energy, Colonel Mir stated.

Mir added that in September 1982 he visited Great Britain with CCEN Chairman Gen Herman Brady, and that during their visit they met with suppliers and toured the old bure (Bristol) plant where two Magnox reactors are operating.

During the visit it was made clear that the Chilean plans to install a power reactor will be reviewed only in 1985, and this decision was reaffirmed to two members of the British National Nuclear Corporation who visited Santiago at the beginning of the year to familiarize themselves with Chilean energy plans for the next decade, Mir added.

But there is no commitment at all between the British National Nuclear Corporation and Chile, the colonel stated.

FURTHER REPORTAGE ON TERRORIST COMBAT, CASUALTIES

President on Situation

PY221553 Paris AFP in Spanish 2150 GMT 20 Feb 83

[Text] Lima, 20 Feb (AFP) -- President Fernando Belaunde today made another call for commonsense to those who are instigating the armed struggle in Peru's Andean region of Ayacucho, 575 km southeast of Lima, and its surrounding areas, indicating that the country is not in a state of turmoil and that the problem of violence is very highly exaggerated abroad. During his traditional Sunday press conference, the chief of state called upon the rebels, members of the Shining Path Maoist group, to lay down their weapons, and he expressed his conviction that order will be reestablished in the area, which is currently under a state of emergency and military control. He also highlighted the calm and control that the Armed Forces are maintaining in that area.

After stating that the region represents 2.5 percent of Peru's territory, that it contains 3 percent of Peru's population and that its contribution to the GDP amounts to only 1 percent, Belaunde maintained that the hostilities have not expanded and will not expand to other areas of the country and that these are the real facts. He said that the situation is highly exaggerated abroad and that there is a design to represent Peru as a country in a state of turmoil, when in reality there is no turmoil of any kind in 97.5 percent of the country. He also said that he had not yet received the official reports on the deaths of approximately 80 Shining Path guerrillas and 20 peasants, and were supporting the forces of order, during confrontations that occurred over the weekend. He said that those events, which were reported by the correspondents of Lima newspapers from Ayacucho, did not figure in the official reports that he had received and that, in his opinion, those press reports indicate that it was a question of struggles between peasant communities, the fruit of the spirit of the discord that is reigning in that region of the country.

Moreover, he made no comment on the investigation into the atrocious massacre of eight journalists and a guide that occurred last month in the peasant community of Uchuraccay, located in the same region, indicating that his government respects and obeys the judicial branch, which, in accordance with its authority, is carrying out the investigation. An investigative committee, named by Belaunde at the end of January after the massacre, is carrying out its task in the Ayacucho area and it must submit its conclusions to the judicial and executive branches and the public at the end of February, when the 30-day deadline for submitting a report expires. Belaunde today lauded the hard work that is being carried out by the members of that committee, which includes the president of the Association of Journalists, Mario Castro Arenas; writer Mario Vargas Llosa; and by the legal expert, Abraham Guzman, who have been granted full authority and who also have the support of the president.

Comrade Carla's Death Confirmed

PY221240 Lima Radio Union in Spanish 1130 GMT 22 Feb 83

[Excerpt] The death of Carlota Tello, alias Comrade Carla, one of the most important leaders of the Shining Path group, has been confirmed in the city of Ayacucho. According to reports that have been received, Comrade Carla's death occurred last Thursday during a confrontation in the Huanaca Sancos area, Victor Fajardo Province. Comrade Carla escaped from Ayacucho prison on 3 May 1982, when an extremist group attacked that penitentiary and helped (204) prisoners to escape, including approximately 100 political prisoners. A total of 16 persons, including 2 policemen, died during the confrontation.

Guzman Reportedly Fighting

PY220014 Paris AFP in Spanish 1844 GMT 22 Feb 83

[Text] Lima, 22 Feb (AFP) -- Some Lima newspapers reported today in a number of reports from Ayacucho, where the police are tenaciously pursuing the terrorists, that Abimael Guzman, head of the Peruvian terrorist group, is fighting in an Ayacucho province.

It was said that Guzman died last week in a confrontation with the Sinchis -- special antiterrorist police -- but military authorities have denied the report. However they did confirm the death in that confrontation, of Carlota Tello, Comrade Carla.

According to press reports, the struggle between the police -- supported logistically by the Armed Forces -- and the terrorists of the Shining Path group, who are said to be retreating, is reportedly taking place in the Ayacucho provinces of Huanta, La Mar, Huamanga, Cangallo and Victor Fajardo.

The reports add that Guzman has been located in the neighborhood of Sacsamarca, Victor Fajardo Province, where columns of Sinchis are heading, but the report has not been confirmed by any authority. No one seems to have seen Guzman for at least 2 years.

Finally, the special correspondent of a Lima newspaper reported that two confrontations took place in Andahuaylas province in Apurimac Department. Police killed four extremists in those confrontations.

Ten Captured in Ayacucho

PY230008 Lima EL COMERCIO in Spanish 10 Feb 83 p 1-13

[By special correspondent Samuel Rios]

[Excerpt] Ayacucho, 9 Feb -- Ten people who are reported to be active members of the outlawed Shining Path group were captured yesterday in three districts of Cangallo Province during operations which are being carried out by the joint security forces.

It has also been reported that the body of the peasant who served as a guide for the eight newsmen killed at Uchuraccai has been found, according to what was alleged by two brothers of the dead man.

In Espite District, police personnel captured five subversives during a surprise raid; the names of the prisoners were withheld in order to facilitate the investigations.

Meanwhile, Honorato Nunez was detained in Totos District of the same province. The emergency zone command reported that the police confiscated from him subversive documents and material for manufacturing homemade explosives.

In Ocros District, four terrorists were captured, accused of stirring up unrest among the population by calling for armed struggle.

The terrorist Pablo Herhuay Inga was killed last Sunday during a violent clash between a combined patrol of the forces of order and a group of subversives at Andahuaylas. Herhuay Inga was a member of the subversive group that fought the police at the town of Cotahuacho. The terrorists Palomino Laupa, Viviano Galvan Villegas and Emilio Navarro Mendez were captured after that clash.

QUEEN ELIZABETH ENDS VISIT, LEAVES FOR U.S.

PA222203 Madrid EFE in Spanish 2136 GMT 22 Feb 83

[Text] La Paz, southern Baja California (Mexico), 22 Feb (EFE) -- Queen Elizabeth II of Great Britain said goodbye to Mexico today after an official 6-day visit. Many of the descendants of the British pirates who for centuries found refuge in these remote Mexican coasts went to greet the British queen who arrived on her yacht Britannia in this city founded in 1535 by Hernan Cortes. Queen Elizabeth II and her husband, the duke of Edinburgh, arrived last Thursday in Acapulco in the Pacific, where President Miguel de la Madrid received them accompanied by his wife, Paloma Cordero de la Madrid. During her stay in Mexico, the British queen also visited the ports of Lazaro Cardenas and Vallarta, also on the Pacific. Queen Elizabeth II and the duke of Edinburgh will continue on to San Diego, California, in the United States, and other ports of the U.S. Pacific, before heading for Canada aboard the yacht Britannia.

LEGISLATOR ON PROTECTION OF MIGRANT WORKERS

PA191610 Mexico City UNOMASUNO in Spanish 16 Feb 83 p 5

[Text] The Mexican legislative delegation that will participate in the next Mexican-U.S. interparliamentary meeting will propose that Mexico and the United States sign work contracts for migrant workers so that the rights of the Mexicans who work in the United States can be recognized. Luis Danton Rodriguez, chairman of the Foreign Relations Legislative Commission, made the announcement, expressing the commission's concern about the possible effects of the deportation of the Mexican illegal aliens. The legislator said that the migrant problem will continue as long as there is a border and as long as supply and demand operate in the United States. He suggested that what "needs to be done is to establish legal principles at the national or international level, so that the workers will have the minimal rights derived from their economic contribution guaranteed." In other words, he indicated, they should receive the same treatment as U.S. nationals, through contracts that would be registered by the labor authorities and through recognition of the fact that they are there temporarily to work.

USSR MESSAGE TO SENATE SUPPORTS DISARMAMENT CALL

FL221600 Mexico City NOTIMEX in Spanish 0458 GMT 22 Feb 83

[Text] Mexico City, 21 Feb (NOTIMEX) -- It was officially announced here today that the Soviet Union expressed support for a call recently issued by the Mexican Senate in favor of disarmament and offered its cooperation in guaranteeing a calm and peaceful future for present and future generations. This statement was made in an official document issued by the USSR Supreme Soviet and delivered to Mexican Senate leader Miguel Gonzalez Avelar by Soviet Ambassador Rostislav A. Sergeyev. The document maintains that the USSR Supreme Soviet shares the concern of Mexican legislators regarding a recent deterioration in the international situation and an escalation in the arms race which seriously threatens world peace. In this regard, the document noted that the efforts of the Soviet state are aimed at stopping the use of nuclear and conventional weapons, preventing nuclear world war, strengthening peace throughout the world and developing greater cooperation among nations. Similarly, Senator Gonzalez Avelar said that the topic of disarmament should never be relegated to second place because it should be a constant and active concern of all governments interested in peace, security and international cooperation. He stressed that the international campaign for disarmament that Alfonso Garcia Robles, the Mexican representative, is promoting at the United Nations is intended to overcome the deadlock in arms limitation talks.

REPORTAGE CONTINUES ON PAREDES LETTER TO BRIGGS

Anti-U.S. Demonstration 21 Feb

PA221728 Havana International Service in Spanish 1600 GMT 22 Feb 83

[text] Hundreds of people staged a demonstration last night in front of the U.S. Embassy in Panama City. They were demanding that Ambassador Everett Briggs leave the country. "Panama Yes, Yankees, No"; and "Briggs, A spy, a CIA Agent" were some of the slogans that the demonstrators repeatedly chanted.

Shortly before, the Democratic Revolutionary Party [PRD] and the People's Party [PDP], as well as the Federation of Panamanian Students, had publicly expressed their support for the letter that General Ruben Dario Paredes sent to Ambassador Briggs. In the letter the general accuses the ambassador of openly meddling in the internal affairs of the isthmian nation. The ruling PRD declared that the interference of the U.S. diplomat is a matter than offends the sensibilities of any true Panamanian, regardless of his political creed, because it is a matter that affects the country's sovereignty and decorum. For its part, the PDP said that Briggs' interventionist attitude reflects a U.S. Government conspiracy against the Torrijist process, the government and National Guard officers.

Everett Briggs was summoned to the Panamanian Foreign Ministry on Monday but he did not go. The U.S. Embassy asserted that the diplomat has received no letter from Gen Ruben Dario Paredes.

Upcoming Anti-U.S. Rally Announced

PA221854 Havana International Service in Spanish 1800 GMT 22 Feb 83

[Text] The National Assembly of Corregimiento Representatives has rejected U.S. Ambassador Everett Briggs' interference in Panama's domestic affairs and has urged the Panamanian Government to declare the U.S. diplomat persona non grata. A resolution approved in this regard also endorses the position taken by General Ruben Dario Paredes, commander of the Panama National Guard, in response to the shameful incident caused by Ambassador Briggs, whose actions, the resolution said, has the unmistakable stamp of the U.S. policy in Latin America. The Panamanian newspaper CRITICA states that it is no secret to any Latin American that the United States uses its embassies and organizations like the CIA to try to destabilize governments that are not to its liking. The cases of Chile, Guatemala, El Salvador, Nicaragua, Bolivia, and Cuba, the paper says, are examples of the involvement of the yankee hand in Latin America's internal affairs.

Panamanian popular organizations have agreed to stage a large-scale demonstration on Wednesday in front of the U.S. Embassy in Panama City to demand that Ambassador Briggs leave the country. A statement issued by those organizations indicates that Ronald Reagan's government has tried by every means to use Panama in its policy of aggression and threats against the peoples of Latin America, particularly of Central America.

Assembly Criticizes Briggs

PA221952 Panama City MATUTINO in Spanish 22 Feb 83 p 10-A

[Resolution No 1, issued by the National Assembly of Corregimiento Representatives on 21 February 1983; capitalized passages published in uppercase]

[Text] Resolution No 1 (of 21 February 1983) whereby the interference of Mr Everett Briggs, U.S. ambassador to Panama, is rejected.

THE NATIONAL ASSEMBLY OF CORREGIMIENTO REPRESENTATIVES

WHEREAS:

Mr Everett Briggs, the U.S. ambassador to Panama, has assumed an attitude which is harmful to our country's sovereignty and which violates diplomatic standards;

The attitude of Mr Everett Briggs, the U.S. ambassador to Panama, has the hateful stamp of the U.S. interventionist policy in Latin America;

The attitude of Mr Everett Briggs, the U.S. ambassador to Panama, had been overcome many years ago in our relations with the United States;

The interference of Ambassador Briggs could be highly dangerous to the Panamanian state and could create violent situations which no Panamanian wants, because the ambassador is attempting to encourage solutions which violate the constitutional principles of our country;

That Ambassador Briggs' attitude, which was denounced by General Ruben Dario Paredes, commander in chief of the National Guard, makes him a CIA agent with the specific mission of undermining the revolutionary process and exterminating the National Guard, as guarantor of our sovereignty and public security; and,

The situation created by Ambassador Everett Briggs is aggravated by the fact that Panama is being used by the United States as a launching ramp for aggression against the peoples of Central America and other latitudes, thus violating the Torrijos-Carter treaties and attempting against national security and integrity.

RESOLVES:

1. To strongly reject the interference of Mr Everett Briggs, U.S. ambassador to Panama, in Panama's domestic affairs.
2. To appeal to the executive branch, through the Panamanian Foreign Ministry, to declare Mr Everett Briggs, U.S. ambassador to Panama, persona non grata.
3. To support enthusiastically and patriotically the position of Gen Ruben Dario Paredes in the face of the shameful situation created by Mr Everett Briggs, U.S. ambassador to Panama.

Issued in Panama City, on 21 February 1983.

Honorable representative Prof Lorenzo S. Alfonso G.
President of the National Assembly of Corregimiento Representatives

Carlos Calzadilla Gonzalez
Secretary general of the National Assembly of Corregimiento Representatives

Columnist Calls for Briggs' Removal

PA222218 Panama City LA REPUBLICA in Spanish 21 Feb 83 p 13

[Secundino Torres Gudino Column: "Persona Non Grata"]

[Text] Several governments have declared ambassadors from friendly countries persona non grata for minor interventions in the internal affairs of their countries. The situation is more serious when it concerns a powerful country that is also our partner in the transisthmian waterway. In cases like this, the behavior of diplomats should be a model of virtue and an example for international relations.

No individual citizen or political party can approve of the meddling of a diplomat in the internal affairs of our republic. Such approval would be almost the equivalent of treason. The charges that the commander in chief of the National Guard made in his letter to the U.S. ambassador are definitely censurable. The U.S. diplomat tried to hold "talks and activities with officers without going through diplomatic channels of the Foreign Ministry or the regular channels" of the National Guard. We are not trying to speculate on why the U.S. ambassador tried to have direct contact with officers of the National Guard, disregarding the institutional channels, but these circumstances place under suspicion the ill intentions of the U.S. official, when in our long-standing relations with that country this direct procedure has never been used, not only because it breaks the rules of international relations and diplomatic practices, but also because it disregards legally established political institutions, mentioned by the general in his 19 February letter.

Few are the activities that the ambassador can carry out now without raising suspicion. His behavior will always be observed with suspicion and distrust, and that is why his dismissal from our country is necessary. The general's letter is an invitation to the U.S. ambassador to ask his government for a transfer. This attitude is observed with friendly governments, because the other alternative is to declare him persona non grata, so that the government he represents withdraws him from the country that has been offended. Panama and the United States have a close relationship as a result of the problems of the canal. The presence of the ambassador, taking into account the contents of the general's 19 February 1983 letter, is no longer possible and forces both countries to cleanse their relations so that in the discussion of their mutual interests clarity and frankness can prevail.

Party Leaders' Reactions

PA230126 Panama City Televisora Nacional in Spanish 2300 GMT 22 Feb 82

[Text] The Authentic Panamenist Party [PPA] is analyzing the notes regarding the activities of the U.S. ambassador in Panama; and possibly tomorrow, in his message to the nation, Arnulfo Arias Madrid, leader of the party, will make a statement on the matter, said [PPA Deputy Secretary] Guillermo Endara.

[Begin Endara recording] The incidents referred to in the letters you mention are being studied by the party leadership. The facts are confusing and contradictory, and we will try to reach conclusions from that tangle. If we have any conclusions on the matter, Dr Arias will probably make a statement. However, these are confusing facts that have to be explained to determine what is really behind it all. There are contradictions regarding the persons and dates in these communiques. They must be objectively and seriously analyzed by a really nationalistic party, such as ours. [end recording]

This is not the time for a coup d'etat, because the country's democratization process would be frustrated, said Ricardo Arias Calderon, president of the Christian Democratic Party [PDC], in analyzing General Ruben Dario Paredes' queries of U.S. Ambassador Everett Briggs' activities.

[Begin Arias Calderon recording] For the PDC, General Paredes' letter is very wrong because it disregards the Foreign Ministry and makes the president of the republic look ridiculous. It also underestimates the loyalty and professional character of the National Guard officers and suggests an atmosphere of lack of confidence and division in the National Guard. It also suggests a campaign of confrontation toward a diplomat who represents his government and his president, for basic reasons that are not known to us and seem to have more to do with the insecurity and the internal conflicts of the regime than with the permanent national interests. [end recording]

Exaggerated in content, which could disrupt relations between Panama and the United States, is how Arnulfo Escalona, president of the Liberal Party, described the letter sent by General Paredes to Ambassador Briggs.

[Begin Escalona recording] This seems to be an incident yet to be concluded. The letter surprised the country because it is known from the history of our Constitution that the foreign affairs of our country are managed exclusively by the president of the republic, according to Article 163 of the Constitution. It is the exclusive domain of the president of the republic. The country was surprised by a conflict that is too visible for the circumstances alleged in the letter. U.S. ambassadors have always visited the garrisons in our country. Ambassador Moss did it, and the allegations in General Paredes' letter seem exaggerated according to the terms of the letter itself, which ends by accusing the U.S. ambassador very timidly of being the U.S. espionage chief in Panama. I believe that this alters the good relations that have existed, especially since the 1977 treaties, between the U.S. and Panamanian Governments and also between the two peoples. I believe that behind all this there is something much more serious that will eventually surface. We have issued no opinion on this because we are waiting for an explanation of what is behind the two letters, both Paredes' and the explanation given by the U.S. ambassador. [end recording]

The National Liberal Republican Movement [Molirena], headed by Cesar Arrocha Graef, preferred not to comment on the Paredes-Briggs letters and said that the country is now facing another crisis in the seat of real power, the National Guard high command. Molirena's Guillermo Quijano said:

[Begin recording] The Molirena leadership is worried over the present situation in our country. We will not comment on Paredes' or the U.S. ambassador's letters. The nation is today facing a new crisis that, like all the others in which it is mired, originated at the seat of real power, the National Guard high command. We have been, are and will be defenders of our sovereignty and dignity as a free country, and we will invariably struggle for these two unalterable principles. However, today we have the full right to think that what is behind all this is a political maneuver to obtain popular support by appealing to the nationalistic conscience of the Panamanian people. It is indispensable that the National Guard as an institution act in a strictly professional and not a political manner, for the benefit of the National Guard itself and for the future of our homeland. [end recording]

The People's Action Party [PAPO], headed by Carlos Ivan Zuniga, denounced and condemned the intervention of the U.S. Embassy in Panamanian affairs and censured the conduct of the National Guard for assuming functions of the president of the republic, such as the management of foreign policy.

[Begin Zuniga recording] PAPO has carefully studied General Paredes' letter to the U.S. ambassador, and feels that there is something behind it that has not yet been defined. Nevertheless, the Political Committee of the party today approved a communique that highlights two aspects: First, that the party denounces and condemns any intervention by the U.S. Embassy in the problems of the National Guard and its leadership. Second, it censures the National Guard's conduct in assuming functions that are the exclusive domain of the president of the republic, as is the management of foreign policy. [end recording]

Referring to the same subject, the Popular Broad Front [Frampo] said that the irregular actions of Ambassador Briggs offend the country's dignity. These were Gilberto Estanzola's remarks:

[Begin Estanziola recording] On 20 February 1983 [as heard], the country was shaken by the publication of a vigorous and nationalistic letter from Gen Ruben Dario Paredes to the U.S. ambassador in Panama. In the letter General Paredes criticized the U.S. ambassador's actions that exceeded the normal functions of a diplomatic representative. Paredes added: I would not like to think that your diplomatic post disguises a high-ranking intelligence officer working for the U.S. espionage organizations.

The Frampo has, since its inception as a political organization, held high the nationalistic banners and defended the principles of nonintervention and self-determination of peoples. General Paredes' historic letter is a reaffirmation of these banners and these patriotic and nationalistic principles for which Frampo has always struggled. The republican history of our country has been a constant struggle for our true jurisdiction and sovereignty throughout the land. The irregular actions of the U.S. ambassador courageously denounced by General Paredes constitute a serious offense against our national dignity and are an attempt against the country's internal security.

Due to the seriousness of these incidents, in which the homeland's majesty and the dearest interests of the Panamanian nation are at stake, any consideration of partisan political interests is selfish, unpatriotic and antinational. Therefore, it is inconceivable that the opposition parties are opposed to the vigorous and patriotic denunciation made by General Paredes and, on the contrary, support the unacceptable intervention of Ambassador Briggs in the internal affairs of the country. Anywhere else, actions such as those of this ambassador would lead to his immediate removal. Consequently, Frampo reaffirms its support for the position adopted by General Paredes and his General Staff toward the interventionist actions of U.S. Ambassador Everett Ellis Briggs, and reaffirms its position to defend the right of every Panamanian to live in peace and with dignity. [end recording]

Finally, Rigoberto Paredes, secretary general of the Democratic Revolutionary Party [PRD], said:

[Begin Paredes recording] We have been meeting since yesterday and will do so tomorrow and will remain in permanent session in the face of this problem. Today, on the subject of your question, we determined very clearly that the communique from the U.S. Embassy only confirms General Paredes' charges. This is demonstrated by the fact that the communique admits the actions reported by General Paredes in the National Guard's letter and also helps to establish the fact that these activities were being held without regard for established protocol. [end recording]

The veterans of the former Victoriano Lorenzo Internationalist Brigade issued a communique this afternoon condemning the interventionist, arrogant and disrespectful attitude of the U.S. Embassy. The communique supports the patriotic reply of the National Guard General Staff.

Columnist Ridicules Letter, Reply

PA221730 Panama City LA PRENSA in Spanish 22 Feb 83 p 10-A

["Without Rhyme or Reason" column by Mario J. de Obaldia]

[Text] I read it and I do not believe it. I think that something is going wrong somewhere. It would not be possible for these things to happen if everything were under control. I imagine that you all have guessed that I am referring to the two communiqués: The letter which General Paredes sent to the U.S. ambassador to Panama and the U.S. Embassy's communique in response to that letter. Let's see:

On 19 February - that is, 4 days ago, Ruben Dario sent a letter to Ambassador Briggs. The embassy reported yesterday that this letter (with which even E.T.'s fellow beings are familiar) has not yet been received. I assume that Mr Briggs will have it in hand by today at the latest. Our postal service, slow as it may be, is not that slow.

The Panamanian officer says that on Wednesday, 26 January, the ambassador presented himself in Colon and attempted to meet with the military chief of that zone, but that the meeting did not satisfy protocol requirements and thus could not be held. The embassy claims that on 26 January, Mr Briggs did not leave Panama City, and that the meeting mentioned above and arranged by the U.S. consul in Colon, did take place and lasted some 10 minutes. How about that!

General Paredes says that on 17 February, the gringo tried, through Captain Sheffers, to arrange a meeting with Lieutenant Colonel Lorenzo Purcell in Chiriqui and offered to supply the liquor for a toast. The embassy responds that the ambassador made courtesy visits to the officers in Chiriqui, not on 17 February, but on 18 February and that these visits were arranged in advance by the embassy. It adds that Colonel Purcell was not at the headquarters and thus the protocol meeting could not take place. Further, it says that the ambassador met the officer in the city of Boquete by chance and had the pleasure of an informal conversation with him. However, the embassy explains, the ambassador did not offer, either directly or through Captain Sheffers (who apparently does not exist) any drinks, fritters or bacon rinds to any National Guard officer in Chiriqui.

It surprises me that the embassy communique contains at the beginning (and repeats at the end) a reference to "a letter allegedly written by the National Guard commander" and rejects any suggestion that the two visits cited "in the alleged letter to the ambassador" had any aim other than to strengthen ties, etc, etc.

It is not only this extraordinary confusion of dates, places, names and meetings (one of which the embassy said did take place, apparently without General Paredes' knowledge) which leaves me stunned. It is the fact that, commenting on the ambassador's expressed wish to hold these meetings, Ruben Dario said: "because these acts are matters that affect our national security...." Good grief! To think that I so frequently invite dear and distinguished friends who belong to the Armed Forces to my table at the Galaxia restaurant without every having used the protocol channels of the National Guard Public Relations Department! What will I do from now on? You tell me.

Cuban, Other 'Meddling' Alleged

PA221806 Panama City Radio Mía Network in Spanish 1205 GMT 22 Feb 83

[From the "News Summary" program with Ramon Pereira and Julio Ortega]

[Excerpts] [Pereira] The day you are arrested, you stop stealing. You may say: I had been stealing for many years. Well, that was years ago. However, we feel that the [Paredes] letter is all right and quite timely and, as we said yesterday, it has come in the nick of time, so it may specifically serve as an example to other diplomatic officials, [Pereira changes thought] Because I am now in Chiriqui and yesterday I exchanged some rather harsh words with a Chiriqui resident about which I will tell you in a minute. This happens because other diplomatic officials had also become accustomed, or are accustomed, to doing the same because some previous government, or more precisely a previous president, had allowed them the luxury of meddling in Panama's affairs, and they have not stopped. Therefore, we must stop them in no uncertain terms.

The letter virtually stops all of them. Now then, this must also be done in cases when a diplomat -- the Cuban one, for instance -- appears at some place where there is unrest for some reason, to incite and encourage the people against democracy, as is mostly the case when labor unions are involved.

Therefore, to put it succinctly, let it be clear that they did interfere. It is clear that they have tried to excuse themselves by saying that they did not get the letter. This can't be true because they are very careful about their security [as heard]. Therefore, the squeeze has been put on them. Let the U.S. ambassador be very careful about meddling in our affairs. It has not only been shown that they are meddling in our military affairs but in the country's party politics because they are constantly visiting and exchanging views with a Panamanian politician whom you know very well. Therefore, this serves as a message to the U.S. ambassador not to look for trouble because he knows how things are. Let this be very clear. As Panamanians, we are glad that things happened this way and think that this should also be done in the case of other diplomats. The letter warns them that they are not going to be allowed to do such things.

Regarding the incident with the Chiriqui resident yesterday, it happened because he told me precisely this, and I told him that if he disagreed he could write a note and I promised to personally take it and read it over the station. But I also told him that they are also allowing people with strange ideologies to work here openly against democracy. He then said: I don't dare because there will be persecution later.

So I told him: If you don't dare, then don't dare call the media and have them say what you don't dare say. Where is the vaunted local machismo and courage, I asked, and told him that we should begin [this campaign] with Chiriqui Province, which has suffered and is suffering the most from the strikes at the banana plantations and the abuses by unions in other places. You saw what happened once with a ruling by a judge that was appealed at the supreme court. The court totally reversed the decision of the judge, who is from Chiriqui and is working here in Chiriqui and is also going along with these things, I said.

This is not the first I have referred here in Chiriqui to the strong democratic movement which should be organized here to fight against everything they bring if necessary. Communism cannot be allowed a free hand, because they are trained to create unrest wherever they have the opportunity. Apparently, they think they have a fertile ground on the banana plantations and are greatly damaging the economy and progress of Chiriqui's population.

So, when I told the Chiriqui man to write the letter, he did not dare and replied that he did not want to be persecuted. So what do they think, that we should be listening to everything and taking the responsibility for everything? That is why things are not going well.

Well, to conclude with this part, I think it is clear, and we are convinced, that things like this must be stopped at the right time, as has been done by putting the squeeze on the U.S. ambassador for trying to continue meddling. I say continue because they themselves have said that they did so before. Well, nothing was said to them previously but they have now been stopped in no uncertain terms. They don't have to be secretive about anything they want. They can go to a garrison, to the presidential house or anywhere but only after they have been authorized to meddle in our affairs. However, for the time being, it is not right for them to continue meddling, or to have done so in the past. This should be stopped.

Obviously, I repeat, they are now using the excuse that they did not receive the letter, and so forth. What else could the ambassador say in response? What could he say? He has to apologize at any rate because they virtually admit that they did make the mistake of trying to inquire into and to meddle in Panama's and Panamanians' affairs through third parties. I repeat, and will repeat it for the umpteenth time if necessary: We don't allow meddling in our political affairs. We Panamanians are sufficiently capable of solving our political problems including those related to the elections that will probably be held in 1984.

MATUTINO REPORTS KIRKPATRICK, OPPOSITION MEETING

PA212329 Panama City MATUTINO in Spanish 21 Feb 83 pp 1-A, 10-A

[Capitalized passages published in upper case; all quotation marks as published]

[Text] ON 4 JANUARY [as published] OF THIS YEAR, AT 1600 HOURS, THE LEADERS OF PANAMA'S OPPOSITION PARTIES MET WITH MRS JEANE KIRKPATRICK AND U.S. AMBASSADOR BRIGGS AT THE U.S. EMBASSY IN PANAMA.

RICARDO ARIAS CALDERON [president of the Christian Democratic Party Political Committee] BEGAN THE DIALOGUE, giving information about the nation's problems and their implications for the United States. He made his statements in a measured, diplomatic tone.

Arnulfo Escalona [president of the Liberal Party] said that the opposition parties have a majority in Panama and will defeat the government in the 1984 elections. Escalona accused General Nutting [commander of the U.S. Southern Command] of intervening in national politics. He noted that in a letter sent to PAREDES [Panama National Guard Commander-in-chief], Nutting described him as a "BRIGHT BEACON." Escalona said that this is a demonstration of support for PAREDES' candidacy. Escalona also noted PAREDES' intentions of visiting the PENTAGON, which compromised the U.S. Government, placing it on Paredes' side in internal politics.

AMBASSADOR KIRKPATRICK intervened, saying that she was unfamiliar with the letter that was mentioned and wished to obtain more information.

Ambassador Briggs said that the embassy cannot object to any invitation that the Pentagon might extend to Paredes, since that is outside of his authority. Moreover, such a visit would be from one military institution to another, given the common interest in the area.

OLIMPO SAEZ said that this is the first time in 14 years that the U.S. Embassy has met with the opposition parties with the intention of becoming aware of their diverse positions. He said that in those 14 years the embassy has only listened to the official version. Saez said that the U.S. foreign policy for the past 50 years has been misguided, since the United States has supported military regimes and old oligarchies and has turned its back on the people's problems. He added that the errors of this foreign policy have been revealed at the end of half a century, when Latin America is on fire all over and none of its major problems has been resolved. "Latin America consists of a large number of frustrated peoples, without democracy, who are seeking a solution to their problems and turning to violence as the only possible language.

"An example of this: CENTRAL AMERICA and, in our fatherland, 14 years of support for the military dictatorship, in complicity with all kinds of human rights violations and all kinds of abuses: deaths, disappearances, torture, people beaten, and so forth.

Continuing his comments, Olimpo said that "It is very possible that this culpable silence and this support for the dictatorship reflected the need to agree on a treaty with Panama, a treaty that was opposed because it did not resolve the causes of conflict but rather intensified them, as is already being shown by the implementation of the Torrijos-Carter treaties."

In an arrogant tone, the ambassador interrupted Olimpo, stating that she is also nationalistic. After several comments, she yielded to Hildebrando Nicosia [secretary general of the Panamenist Party], who expressed pleasure at the ambassador's presence and conveyed to her a greeting from Dr Arnulfo Arias Madrid. Continuing his comments, he mentioned his years in exile, during which he read some of Mrs Kirkpatrick's works, and he told her so.

He also spoke of the personal friendship existing between Dr Arias Madrid and Ronald Reagan and stated that because of that friendship, Dr Arias Madrid has been greatly criticized by many Panamanians. He emphasized the sacrifice made by Dr Arias Madrid and the political parties present at the meeting to avoid violence and bring about democracy in Panama. Nicosia harshly criticized Aquilino Boyd, Panamanian ambassador to the United States, for being determined to have the Pentagon extend an invitation to General Paredes, which happily has not yet been achieved, despite the millions [no currency given] that have been spent in the effort. Nicosia harshly criticized the candidacy of Gen Ruben Dario Paredes saying that he is a "LITTLE GENERAL." He added that he would not mention the name of the "DECEASED" because he had never done so." In the course of these comments, Nicosia asked for A "PUSH, A STIMULUS" from the United States for democracy to be achieved in Panama. His comments, far from being noble, were unfortunate, plaintive and humiliating for any politician and any Panamanian.

Mario Galindo [a member of the National Directorate of the Nationalist Liberal Republican Movement] made an effort to present to Mrs Kirkpatrick a report on "what is being done in Panama to achieve the democratization of the republic and on the fact that the test of the regime's desire to return to a legal, democratic system would depend on the constitutional amendments that will be approved and on the 1984 elections." He added that these elections will not resolve the Panamanian people's major problems. His entire speech was delivered in a high-minded and diplomatic manner.

Guillermo Ford [leader of the Nationalist Liberal Republican Movement] spoke after Galindo and within a few minutes had expressed sentiments coinciding with those of his predecessor.

Bobby Eisenmann [owner of LA PRENSA newspaper] stated "that the United States has great influence in the area and also in Panama, and its statements or its silence can help an official candidate. He asked the ambassadors present to say whether they had decided to support Paredes. He strongly criticized U.S. support for the present Panamanian Government."

Confused, Mrs Kirkpatrick interrupted to say that "On the one hand the United States was being asked not to intervene, and on the other hand intervention was being requested. She said that given her knowledge as a professor of political science, she felt qualified to draft a constitution for PANAMA...OLIMPO INTERRUPTED AND SAID: "NO ONE HAS ASKED YOU TO PREPARE A CONSTITUTION FOR PANAMA, BECAUSE WE PANAMANIAN WILL DRAFT IT."

She continued to speak and tried to give lessons to the Panamanians who were present. Mario Galindo intervened, rebuking the ambassador and telling her that she had misunderstood him, that he is a university professor of CONSTITUTIONAL LAW, and that he also felt qualified to draft a constitution, and if he were unable to do so he would copy one of the many that exist."

Ricardo Arias Calderon again took the floor in an attempt to save the situation. He told the ambassador that the meeting had another purpose, which was to give the opposition's view of the national and international situation. He said that many of Latin America's problems were problems of historical objectivity in the past and in the present, and that it was not a case of nationalism or of conflicting nationalisms. This was in response to the statements made by the ambassador when OLIMPO had pointed out the misguided policies of the United States in Latin America."

Escalona again spoke, saying that the Panamanian ambassador to the United States had been expelled from the LIBERAL Party for supporting General Paredes' candidacy." The meeting ended without much joy and with quite a bit of distress for the participants, who came out of it with angry faces. Mario Galindo, Olimpo Saez and Ricardo Arias Calderon could not hide their anger as they came out of the embassy. Nicosia did not hesitate a minute; he sped off in his car.

EL SALVADORHIGH COMMAND ORDER BANS INFORMATION TO MEDIA

PA230429 Buenos Aires LATIN in Spanish 0349 GMT 23 Feb 83

[Excerpts] San Salvador, 22 Feb (LATIN-REUTER) -- Government and leftwing guerrilla troops clashed today on three fronts, while Defense Minister Jose Guillermo Garcia reiterated that there will be no cease-fire during the pope's visit to El Salvador this coming month.

Inhabitants of the besieged township of Suchitoto reported fierce fighting throughout the day, and military sources indicated that government fighter-bombers and artillery units had attacked guerrilla positions on the slopes of the Guazapa volcano in the vicinity.

Meanwhile, in the northeastern province of Morazan, the guerrillas attacked the outskirts of the provincial capital, San Francisco Gotera, which is the base of a key garrison of the army, military sources stated.

In a move that reflected the growing concern of the government with the international publicity given to several guerrilla successes, the army gave instructions today to all field commanders to stop giving information to local and international media.

The order by the Army high command states that all information on the war must be channeled through the Armed Forces Press Committee (Coprefa), which has given details on military operations in the past.

Previous attempts by the government to impose silence on the media here were hardly successful, mainly because the correspondents tend to rely on information obtained on the spot in talks with field commanders.

GOVERNMENT FORCES PREVENT ATTACK ON ZACATECOLUCA

PA212340 San Salvador EL DIARIO DE HOY in Spanish 21 Feb 83 p 8

[Excerpts] Zacatecoluca -- According to a local military source, the army prevented the sacking and destruction of this city and the abuse of the civilian population by terrorists attacking from redoubts north of the city. The report adds that the military operation began on Monday and ended on Saturday at 2300.

Members of the Armed Forces engineer training school based in Zacatecoluca participated in the operation, supported by the air force, artillery and members of the Atonal Battalion.

According to the source, the army was ordered to "thwart an attack on Zacatecoluca and its civilian population, which the guerrillas had planned to perpetrate in a similar fashion to their attack on the city of Berlin, in Usulután Department." They added: "We had evidence of a plan to attack and destroy Zacatecoluca, and to abuse its inhabitants."

Reports indicate that numerous terrorists were killed during the military operation, while the army had to regret the deaths of Second Lieutenant Juan Angel Rodriguez Mejia, Cadet Wilfredo Martinez, and 20 soldiers.

The sources added that it was learned that during the attack the terrorists shouted that they had come from El Carmen in San Miguel. Others came from Morazan Department, and still others from Berlin in Usulután.

ARMY TROOPS BREAK REBEL SIEGE OF SUCHITOTO

PA222025 Panama City ACAN in Spanish 1939 GMT 22 Feb 83

[Text] San Salvador, 22 Feb (ACAN-EFE) -- Last night columns of Salvadoran guerrillas encircled the township of Suchitoto, 40 km north of this capital, and withdrew today toward the neighboring township of Aguilares, with more than 2,000 army troops in pursuit. Suchitoto awakened today without any skirmishes in the outskirts, although some sporadic shooting was heard this morning. The township of some 20,000 inhabitants have been without electricity and totally cut off from the capital for 12 days.

The guerrillas, who held the outskirts, attempted in the past few days to occupy the town after their great success with the occupation of Berlin in late January.

There has been no potable water in Suchitoto since January 1982, when the main water-lines were destroyed by the insurgents, who in addition to destroying the lines set up camp at the site, preventing their repair.

Despite these 12 days of siege, the inhabitants of the township continue to go about their normal activities, a spokesman for the mayor's office told ACAN-EFE. Despite the scarcity of foodstuff and electricity, labor activities in Suchitoto have kept their pace, since the fighting has taken place outside of the city.

The township was protected by some 150 soldiers, policemen and civil defense patrols, until last Saturday when the army sent more than 2,000 troops to break the siege.

The highway from San Martin south of Suchitoto was controlled by the FMLN and seriously damaged. The guerrillas also destroyed several high tension towers on that highway.

The mayor's office is expecting the arrival today of International Red Cross trucks carrying food and medicine. None of the civilian population has been killed or wounded, although the casualties of the two sides are not known.

During 12 days of the guerrilla siege, approximately 75 families fled Suchitoto via Lake Suchitoto, at the risk of their lives. According to the mayor's office, the population of this municipality is 20,000 persons, mostly rural inhabitants.

The FMLN forces are heading for Aguilares in the west, according to local military reports, while more than 2,000 troops of the 1st Infantry Brigade based in San Salvador have been in pursuit since Saturday.

Suchitoto is located on the banks of Cerron Grande reservoir, whose hydroelectric plant generates power for half the country.

This has been the most significant guerrilla harassment since the occupation of Berlin, in the eastern Department of Usulután, in late January, which brought tremendous publicity to the struggle being waged by the Farabundo Martí Front.

GUERRILLAS ATTACK TEJUTLA MILITARY POSTS

PA222357 Panama City ACAN in Spanish 2059 GMT 22 Feb 83

[Text] San Salvador, 22 Feb (ACAN-EFE) -- Today Salvadoran guerrillas units attacked the military posts of the township of Tejutla, with more than 12,000 inhabitants, in the northern department of Chalatenango, military sources reported.

According to the reports, the insurgents staged the attack early this morning but were repelled by Army troops in a fierce crossfire. Tejutla, located 64 km north of San Salvador, can be communicated with only by telephone, but up to now there have been no reports of casualties on either side.

Meanwhile, the Armed Forces Press Committee (Coprefa) reported that the Army is continuing to mop up the guerrilla redoubts in the foothills of Guazapa mountain in northern San Salvador, where there have been clashes in the past few hours.

RADIO VENCEREMOS REPORTS ON FMLN ACTIVITIES

Fighting in Morazan

PA191448 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 19 Feb 83

[Text] We now have military reports on the fighting in Morazan Department. On 16, 17 and 18 February, battles were waged between FMLN forces and the Belloso Battalion in Mozote canton, in the jurisdiction of Arambala, Morazan Department. Our military forces had the advantage of surprise, to which the enemy replied with artillery fire and gringo A-37 airplanes. Initial reports from the battlefield indicate that the FMLN inflicted six dead and nine wounded on the Belloso Battalion.

Here is another report on the battles in Morazan Department. Those 15 casualties include an Army captain. He is Capt Gustavo Perdomo Hernandez, who was urgently taken to a hospital on the night of 17 February in an attempt to save his life, since he was seriously wounded in a vital organ. The captain is the commander of the 4th Company in the Belloso Battalion.

We also have reports that nervousness and low morale have spread throughout the Belloso Battalion troops, who have undergone 30 days of hunger, defeat, useless marches and constant harassment in Morazan.

The FMLN reports the heroic death of two companeros and the wounding of two others in the fighting in Morazan. We also lost one G-3 rifle. This report contrasts with the figures issued by the high command through another ridiculous Coprefa [Armed Forces Press Committee] communique, which said that we sustained 28 dead. This is the professionalism of Lt Col Mendez, who exaggerates our casualties to raise the troops' morale and to justify the fact that an entire battalion, with artillery and a helicopter, must serve as the municipal police of Perquin. We ask the troops of the Belloso Battalion: Did you see any of the 220 dead that we supposedly sustained? Belloso Battalion soldier: Did you see any of the alleged 28 dead we suffered in Mozote? They are deceiving you, to hide the failure of the special battalions in Morazan.

Suchitoto Fall Imminent

PA191535 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 19 Feb 83

[Text] We have received reports on the battles being waged in the city of Suchitoto. As we previously reported, for the past week our revolutionary forces have been advancing and the high command's military inability is once again being revealed in the fighting there. The report is as follows:

Suchitoto is completely isolated. The FMLN forces continue to control Calle Nueva, the road that goes from San Martin to Suchitoto, and the outskirts of Suchitoto. We are told that 500 troops, policemen and national guardsmen are under siege in Suchitoto. These military forces are without food and water and are completely demoralized. Reports from Suchitoto indicate that the forces that are besieged by the FMLN have begun to desert. The dictatorship's forces have been unable to reach the city of Suchitoto, despite all of their attempts.

Another last-minute report from Suchitoto indicates that the FMLN forces are now fighting in the city, house to house and inch by inch, forcing the enemy to fall back. Reports from the city indicate that Suchitoto could fall into revolutionary hands at any moment.

Here are more reports from Suchitoto, a few kilometers from San Salvador. The reinforcements sent by air by the high command are isolated and without supplies. We repeat: The reinforcements that the high command sent by helicopter to help its troops under siege in Suchitoto have been left isolated and without supplies.

With these actions in Suchitoto, along with the seizure of Oratorio de Concepcion, where our forces recovered rifles and captured prisoners of war, the FMLN has dislodged enemy forces in various parts of the country's central zone. If to these victorious actions and advances in Suchitoto and nearby areas we add the advances and dislodgements that we have achieved in Chalatenango Department, where we control large areas and a number of towns, the enemy is experiencing a critical military situation in El Salvador's central zone. Radio Venceremos calls on all of our people to listen to our upcoming transmissions, both the four shortwave transmissions and the FM transmission, since we will be broadcasting important reports on the activities underway in the Salvadoran central zone. Our people are winning the war!

Foreigners in FMLN Ranks

PA192035 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 18 Feb 83

[Text] The dictatorship's high command has published a sad list of 14 foreigners who are in the northeastern front. We are proud of having such heroic examples of support from other peoples who express solidarity with our struggle. We ask the high command: What does it say about the hundreds of U.S. advisers who are directing the war? How many Cubans, Soviets or Vietnamese did it find on the lists that it says it has in its hands? Isn't the high command ashamed of presenting such a ridiculous report that only shows the stupidity of its intelligence services?

Belloso Battalion Withdrawal

PA200445 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 20 Feb 83

[Text] Attention, Attention! Radio Venceremos is just now receiving a report from our intelligence services that contains information about the Salvadoran Armed Forces General Staff. According to this report, the gringo battalion, the Belloso Battalion, a few moments ago received an order signed by [Salvadoran Defense Minister] General Garcia to withdraw immediately from Morazan Department.

We repeat: The Belloso Battalion has received an urgent order to withdraw from Morazan Department.

According to another report, the Belloso Battalion has already begun mobilizing toward the town of Jocoaitique. According to the intelligence report, the Belloso Battalion is withdrawing from Morazan due to its total loss of morale. The national army's General Staff has felt that under these circumstances, it would be very hard for the battalion to check an FMLN attack in Morazan Department.

The heavy fighting between our forces and those of the Belloso Battalion in Mozote canton caused serious losses to this elite force. A case in point was that of Capt (Gustavo Perdomo Hernandez), chief of the Belloso Battalion's 4th Company, who was seriously wounded. This important casualty, along with the others inflicted on the Belloso Battalion, has led to the moral collapse of this battalion trained in the United States.

Further on, this report, which has just been handed to us by our intelligence services -- a report containing information about the Armed Forces General Staff -- states that the General Staff and Colonel (Mendez) engaged in a heated discussion and sustained serious differences because the colonel refused to obey the order of remaining in Perquin. Colonel (Mendez) claimed the situation was untenable and extremely dangerous. As we reported a few days ago, the dictatorship had stationed the Belloso Battalion in Perquin.

In view of these reports, we wonder: If they really inflicted the casualties that Coprefa [Armed Forces Press Committee] claims they caused us in Morazan, why is the Belloso Battalion leaving Perquin? If it is an elite battalion, if it is a special battalion, why are they withdrawing in the face of the FMLN forces? Why is the mayor of Perquin leaving? From now on, we won't be able to call the Belloso an immediate-reaction battalion. Instead, it ought to be baptized by our people as the gringo battalion, the immediate-withdrawal battalion.

More on Suchitoto

PA201540 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 20 Feb 83

[Text] Our people continue to be active throughout the nation's territory. Our compañeros from the Modesto Ramirez Central Front now inform us that 19 February marked the 9th day that FMLN forces have had control of the highway between Suchitoto and San Francisco. The enemy has made several fruitless attempts to recover control of the highway, yet the FMLN's control has been gradually increased.

The stretch of highway is located only 32 km from the capital. Revolutionary FMLN roadblocks guarantee and maintain control of the highway, on which only civilian vehicles are being allowed to circulate. The FMLN has repulsed both ground forces and the pressure being exerted by the air force, which has had not the slightest effect on the FMLN's presence on the highway.

For the past 4 [as heard] days, the FMLN forces have been surrounding and besieging Suchitoto. In the past 4 hours, there has been intensive fighting in the area around this city, in which the dictatorship has sustained a large number of dead and wounded. At this time, Suchitoto inhabitants are receiving supplies only by air. In addition, an airbridge has been established from Ilopango Airport to the shores of (Suchitlan) lake, where the dictatorship's helicopters have been landing.

In the past 48 hours, the enemy has amassed a great number of forces along this front, in an attempt to wrest control of Nueva Street from the FMLN, but once again there is evidence of the enemy's demoralization, for despite the large concentration of forces he has not been able to advance even a single meter toward taking control of Nueva Street. The dictatorship has also used the air force in this fighting, carrying out intensive bombing and (?spraying) certain chemical substances, the effects of which are still unknown. Our revolutionary greeting to the compañeros of the Modesto Ramirez Front. Forward, victory will be ours!

Guazapa, Suchitoto 20 Feb

PA201550 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 20 Feb 83

[Text] Here is a report from Guazapa. Since 17 February, the enemy has been concentrating troops in the following areas: (El Roblar), 3 companies from the 1st brigade, with artillery; Suchitoto, 6 infantry companies from the 5th detachment, 100 troops from the paratroopers squadron, 100 other troops from the National Guard, national police force and civil defense; La Cabana, 1 company from the 1st brigade; El Paisnal, San Ignacio and (El Trapichon), 1 company.

The enemy has been making numerous helicopter flights to supply the city of Suchitoto. Similarly, we have been informed that on the afternoon of 18 February, the military high command made an unsuccessful bid to retake the town of (Los Plantanales), located only a kilometer from Suchitoto.

In addition, we have been informed from Guazapa that the Air Force has been firing rockets at and strafing areas on the outskirts of Suchitoto. An additional report indicates that the air force has been firing rockets at and dropping bombs on FMLN positions on Nueva Street. From 0715 to 1050 on 19 February, the enemy has used push-and-pull aircraft to fire rockets at the lower slopes of Guazapa hill.

all of this seems to indicate that offensive enemy actions are being staged in an attempt to recover control of the highway and to relieve Suchitoto of the siege to which it has been subject for the past 9 days. These actions are being directed from the San Carlos garrison by Major (Cepeda).

Suchitoto Siege 21 Feb

PA212136 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 21 Feb 83

[Text] In this broadcast we have the following military report on Suchitoto. Our revolutionary forces are maintaining control of the Calle Nueva Road, and the dictatorship has thus far not been able to pass. Furthermore, a siege has been laid on the city of Suchitoto.

This morning enemy forces were able to advance 400 meters in the direction of northern Suchitoto. Fierce clashes have been taking place since midday yesterday against enemy forces in Guazapa seeking to exert pressure in order to move forward to Suchitoto.

Currently four battalions of the armed forces, including a company of the Atlacatl Battalion and a company of the Pipil Battalion, are participating in these actions. At this moment there is fierce fighting to prevent their advance from three directions; one column is coming from San Jose Guayabal, another from (El Roblar) and another from Ingenio San Francisco. At this point there have been approximately 25 enemy casualties, 15 of them in the area El Salitre, where a rifle and equipment was seized.

During the day aviation has exerted strong pressure on our positions without dislodging us up to now. Since yesterday afternoon the enemy has sustained 30 casualties and 4 M-16 rifles have been seized. This is how our army is advancing toward victory.

Izalco Microwave Station 'Destroyed'

PA220440 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 22 Feb 83

[Text] Radio Venceremos reports that a commando group of the Commander (Mario Armijo) special forces has attacked the microwave station in Izalco, located in San Julian, Sonsonate Department. In this communications center is installed the main equipment for microwave transmission and reception for international communications.

The attack was carried out by commando groups with U.S.-made bazookas and with RPG-2 rocket launchers. In this way the FMLN delivered a hard blow to dictatorship's strategic infrastructure, interrupting its international communications. This operation was carried out under the title of "Long Live the Heroes of Putumay-Camones." Radio Venceremos received the information through a preliminary report from Commander Miguel Ramirez of the Feliciano Ama western front.

In future transmissions we will give an official bulletin on this attack, which put out of commission an important communications center of the dictatorship. This is the second time that the FMLN has carried out a commando operation against this communications center of the dictatorship in Izalco, Sonsonate Department.

The Armed Forces Press Committee, Coprefa, has accused us of trying to obstruct the pope's visit to our country. We categorically reject the manipulation of the news that the dictatorship is conducting with the visit of the pope and the manipulating of the people's religious faith. We consider this attitude of the high command an act of cowardice, trying to stop our operations by using the pope's visit as an excuse. The Army High Command and Coprefa seem to forget that we are at war, and that the economic and strategic infrastructure is a military objective in war. The Army High Command is trying to conceal the fact that this was the second time that the FMLN has destroyed this military objective, and the defeat in which for the second time we have outwitted the security measures established by U.S. advisers.

The dictatorship is trying to conceal its inability to stop our military advance by manipulating the people's religious faith.

Belloso Battalion Attacked

PA220455 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 22 Feb 83

[Text] Radio Venceremos has received a last-minute report indicating that FMLN forces have attacked the Belloso Battalion's positions on Pericon hill and in the neighborhood of Perquin, Morazan Department. The Belloso Battalion had 6 casualties.

These attacks have contributed to the total demoralization of the Belloso Battalion, the gringo battalion, which has already decided to leave Morazan Department in view of our revolutionary forces' constant attacks.

Church Officials Scorned

PA221622 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 22 Feb 83

[Excerpt] The official commission organizing Pope John Paul II's visit to the country has ordered the removal of 12,000 posters in which Monsignor Romero is pictured along with the pope. Some sectors of the ecclesiastical hierarchy consider this act a slap in the people's face.

Each of those 12,000 posters with Monsignor Romero's picture probably brings up a question that disturbs certain sectors: Now that 3 years have passed since Monsignor Romero's murder, why haven't his murderers been brought to justice?

The top church hierarchy ordered the removal of those posters, which leads one to believe that sectors of that hierarchy are not neutral in the war being waged by our people. Or could it be that the removal of those posters is due to an effort to avoid disturbing or inconveniencing Monsignor Romero's assassins who, in the guise of president of the Constituent Assembly and defense minister, will receive the pope?

In any case, the voice and example of Monsignor Romero cannot be silenced. Monsignor Romero said this himself: If they kill me, I will be born again in the people.

'Intense Fighting' at Guazapa

PA230404 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 23 Feb 83

[Text] Guazapa fights. Reports from the Modesto Ramirez central front state that at this moment intense fighting is going on in the Guazapa hill area. The enemy has staged an operation using its special battalions to try and recover the positions that our companeros annihilated and took from them. U.S. made A-37 airplanes have uselessly continued bombing the zone. Other reports state that Suchitoto remains isolated because of heavy fighting.

The forces of the dictatorship have had to pay dearly for every one of their advances because they have suffered many casualties, and our forces have even recovered rifles from the troops of the high command. Capt (Bruno Luna), member of the 1st Company of the 1st Infantry Brigade located at the San Carlos headquarters in San Salvador, is among the many casualties we have inflicted on the army.

The troops of the dictatorship will fail once more in this operation against our experienced companeros in Guazapa. To that central front, our revolutionary greetings to all our fighters and militiamen who in every trench and on every piece of land are inflicting more casualties on the enemy forces. Forward Guazapa! Once again we will win!

NICARAGUAOPPOSITION LEADERS DETAINED FOR 4 HOURS

PA222327 San Jose Radio Reloj in Spanish 1200 GMT 22 Feb 83

[Text] Managua -- According to a Social Democratic Party source, four of that Nicaraguan opposition organization's national leaders were detained for 4 hours last weekend. Party President Luis Rivas Leiva and leaders Rudy Ibarra, (Guillermo Potoy) and (Harmodio Mendieta) were meeting in a private home in the port of San Juan del Sur, on the Pacific, discussing the organization's local directorate, when police arrested them.

FOREIGN MINISTRY CONDEMNS U.S.-KOREAN MANEUVERS

PA182017 Managua Radio Sandino Network in Spanish 1200 GMT 18 Feb 83

[Text] Nicaragua has vigorously condemned the Team Spirit 83 (title in English) maneuvers currently being conducted by the U.S. and South Korean armies, the obvious purpose of which is to threaten the DPRK. The maneuvers are being staged by 70,000 U.S. soldiers and the nuclear aircraft carrier Enterprise, which carries 90 aircraft, 40 of which bear nuclear weapons.

A protest note issued by the Foreign Ministry stated that the United States is once again mistaken. The demonstration of its military power does not frighten the peoples who are building their future. Our people have already demonstrated this during the so-called Big Pine maneuvers, the communique stated. It expressed the solidarity of the Nicaraguan Government and people with the firm leadership of Kim Il-song and reiterated support for the Korean people's historic task: The peaceful reunification of their fatherland, an objective that they will achieve despite the Reagan administration's actions.

USSR ARMY, NAVY COMMEMORATED ON 65TH ANNIVERSARY

FAR Ceremony

FL221635 Havana Domestic Service in Spanish 1100 GMT 22 Feb 83

[Text] The strength of the Soviet Army and its party loyalty were praised in the main ceremony of the FAR marking the 65th anniversary of the Soviet Army. Division General Ulises Rosales del Toro, first vice minister of the FAR and chief of the General Staff, delivered the ceremony's closing remarks. The Central Committee member said the history of the Soviet Armed Forces is an integral part of the nation's history and is closely linked to the general image of the builder of socialism, Vladimir Ilich Lenin.

Speaking on behalf of specialists and military advisors who are fulfilling internationalist missions in Cuba, Major General (Piodorov Tiodorov) expressed his gratitude for the honor, and said the Soviet Union will never cease its efforts to strengthen relations with the island of liberty.

The ceremony was presided over by Division General Abelardo Colome Ibarra, alternate member of the Politburo and first vice minister of the FAR, Konstantin Katushev, Soviet ambassador to Cuba, and Colonel General Vladimir Konchits, chief Soviet advisor to the FAR.

ICAP Marks Anniversary

FL191606 Havana Domestic Service in Spanish 1200 GMT 19 Feb 83

[Text] The 65th anniversary of the Soviet Army and Navy was commemorated by the Cuban Institute of Friendship With Peoples [ICAP]. Fernando Vecino Alegret, member of the Central Committee and vice president of the Cuban-Soviet Friendship Association, noted that the Red Army, organized on 23 February 1918, was the first one to represent a socialist state.

For his part, Captain 1st Rank Gennadiy Mikhaylov, military, naval and air attache of the USSR Embassy in Cuba, reaffirmed the position of his country's government in the face of the unbridled arms race undertaken by imperialism, which is placing the world on the brink of a holocaust.

CASTRO THANKS LAOTIAN LEADERS FOR GREETINGS

BK111209 Vientiane KPL in English 0907 GMT 11 Feb 83

[Text] Vientiane, February 11 (KPL) -- K. Phomvihan, general secretary of the Executive Committee of the Lao People's Revolutionary Party Central Committee, and chairman of the Council of Ministers of the Lao PDR [People's Democratic Republic] and Souphanouvong, president of the Lao PDR, recently received a message of thanks from Cuban leader F. Castro Ruz.

First secretary of the Executive Committee of the Communist Party of Cuba CC, chairman of the State Council and of the Council of Ministers of the Republic of Cuba F. Castro Ruz, on behalf of the party, government and people of Cuba, expressed thanks for the fraternal greetings message conveying to him on the occasion of the 24th commemoration of the Cuban revolution.

The Cuban leader further wished the Lao leaders and people new and greater successes and prosperity.

LEADERS DISCUSS JOINT DEFENSE SYSTEM IN CASTRIES

FL211310 Bridgetown CANA in English 2320 GMT 19 Feb 83

[By Ernie Seon]

[Excerpt] Castries, St Lucia, Feb 19, CANA -- Five eastern Caribbean heads of government met here today to advance arrangements for the establishment of a long mooted joint regional defence and security system.

Prime Minister Tom Adams of Barbados, Eugenia Charles of Dominica, John Compton of St Lucia, Vere Bird of Antigua and acting prime minister of St Vincent, Hudson Tannis, met for close to three hours to finalise arrangements, including the budget for the scheme.

No details of decisions taken were announced at the end of the session, but Mr Compton said the leaders agreed on a budget, staffing arrangements and the types of coast guard vessels to be used by the service, which is to be based in Barbados. Last year the five states signed a memorandum of understanding setting out the framework for cooperation between the police, army, coast guard and other defence and security agencies in the respective countries.

TRUDEAU ADDRESS OPENS CANADA-CARIBBEAN SUMMIT

FL211350 Bridgetown CANA in English 2255 GMT 21 Feb 83

[By Guy Ellis]

[Excerpt] Castries, St Lucia, Feb. 20, CANA -- Canadian Prime Minister Pierre Trudeau today advocated a new "mature and coherent policy partnership" between his country and the Caribbean based on three elements: Momentum, consistency and a long term view.

Addressing the formal opening of a two day summit with heads of government of 15 English-speaking Caribbean countries here today Trudeau proposed that the Canada-Caribbean Community (Caricom) joint economic and trade committee of officials meet in Ottawa this year, saying that such a meeting embodied the three elements which he regarded as essential to the Canada-Caribbean relationship.

Trudeau hailed the two day summit here as a benchmark of our collective regional statecraft of the maturity and a candour of our ties. He said he wanted to ensure that the meeting deepened consultation between Canada and the region on where we are heading in the current period.

Emphasising that there was need for momentum in Canada's development assistance Trudeau announced his country's intention to double present levels of aid to the region over the next five years, and he called on the region to assist Canada's project development process by establishing priorities and allocating local resources. He spoke of the need for consistency in the current relationship, adding that Canada was a friend for all seasons, not only the Canadian winter.

Caricom Proposals to Canada

FL212221 Bridgetown CANA in English 2145 GMT 21 Feb 83

[By Guy Ellis]

[Excerpts] Castries, St Lucia, Feb. 21, CANA -- Canada is being urged to strengthen its traditional relationship with Caribbean Community (Caricom) countries and not to allow president Ronald Reagan's Caribbean Basin Initiative (CBI) to weaken these ties. The Caribbean position is being put forward to Canadian Prime Minister Pierre Trudeau, who was continuing talks here today with delegations from 15 regional English-speaking states.

It is one of the recommendations in a lengthy document of proposals drafted by the Antigua-Barbuda delegation to the two-day summit and endorsed by the participating countries as the official Caricom position at the talks. According to the paper, unlike other "regions of major interest," there was no significant economic underpinning in the current relationships between Canada and the Caribbean. It noted that trade between Canada and Caricom states had steadily declined over the last three decades, with Canadian exports to the region now standing at 0.4 percent of its overall exports.

Moreover, the paper said, there was no significant Canadian economic presence in the area since Alcan's operations in Guyana had ended in nationalisation, while its Jamaica plants had been steadily run down. Canadian banking and insurance now occupied a comparatively small place in such activities in the region, the paper said.

It said that for the Caribbean states, which cherished their independence, it would be better for Canada-Caribbean ties to continue on the basis of the traditional links rather than "the recently imposed CBI strategic perspectives." It urged Canada not to allow the CBI to weaken its traditional ties with Caricom.

Meeting Ends

FL220119 Bridgetown CANA in English 0100 GMT 22 Feb 83

[Text] Castries, St. Lucia, Feb. 21, CANA -- Commonwealth Caribbean heads of government tonight ended a two-day informal meeting with Canadian Prime Minister Pierre Trudeau which St. Lucia's Prime Minister John Compton described as very valuable. Mr. Compton, who chaired the meeting, said Canada and the Commonwealth Caribbean now understood each other's position on various issues more clearly. He said the meeting was "very valuable," adding that it had gone well and there had been a free flow and pooling of ideas.

More than a dozen heads of government, including Barbados' Prime Minister Tom Adams, Jamaica's Edward Seaga, Dominica's Eugenia Charles, and Trinidad and Tobago's George Chambers, attended the meeting here.

Mr. Compton told a news conference afterwards that a decision had been taken to set up a technical committee to examine the possible expansion of the English-speaking Caribbean Economic Community (Caricom) to include such countries as French-speaking Haiti, Spanish-speaking Dominican Republic, and Dutch-speaking Suriname within the free trade area.

Communique Issued

FL221925 Bridgetown CANA in English 1919 GMT 22 Feb 83

[Text] Castries, St Lucia, Feb 22, CANA -- Following is the text of the communique issued at the end of the two-day Canada-Caribbean heads of government conference here last night.

"1. The heads of government of Commonwealth Western Hemisphere countries met in Saint Lucia on February 20-21. Participating were the heads of government of Anguilla, Antigua and Barbuda, the Bahamas, Barbados, Belize, British Virgin Islands, Canada, Dominica, Grenada, Jamaica, St Lucia, St Kitts-Nevis, Trinidad and the Turks and Caicos Islands.

"St Vincent and the Grenadines was represented at ministerial level. Montserrat was represented at the level of financial secretary.

"The Commonwealth secretary-general, the secretary-general of the Caribbean Community and Common Market (Caricom), the director-general of the Organisation of Eastern Caribbean States (OECS) and the president of the Caribbean Development Bank (CDB) also attended as observers. Heads of government who did not attend expressed apologies for their absence.

"2. The heads of government recalled that some of them, who attended the Commonwealth heads of government meeting in Melbourne in 1981, has discussed the concept of a commonwealth Western Hemisphere heads of government conference and had agreed to hold it after wider consultations among themselves. Noting that this was the first such meeting since the 1966 Canada-West Indies conference held in Canada, the heads of government welcomed the opportunity it provided to discuss their many common concerns and to strengthen the close ties that have long existed among the Commonwealth countries of the Western Hemisphere. They expressed satisfaction that it had also served as an opportunity to chart the course for the further development of these relations.

"3. During the discussions the leaders focused on the relations between and among their countries in terms of political relations, trade, development assistance, investment and tourism, on the situation in the Caribbean, on political developments in the hemisphere, and on the severe problems facing the world economy.

"4. In the context of these discussions, the heads of government recalled their review of the situation in Latin America and the Caribbean which took place during the Commonwealth heads of government meeting in Melbourne in 1981. They expressed particular concern at the dangers of an escalation of conflict in Central America which could affect the peace and stability of the region as a whole.

"They reiterated their conviction that the conflicts in the area were due, in large part, to past failures to correct deep-seated social and economic wrongs. They welcomed the efforts by a number of countries to promote discussion and dialogue to bring about a peaceful resolution of the difficulties and tensions in the area and they called upon all governments and parties concerned to devote their best efforts towards achieving peaceful solutions in 1983.

"5. Noting the disposition of outside forces to intervene in the internal affairs of various countries, the heads of government reasserted their view that each state must be allowed to pursue its own path of political, economic and social development, free from all forms of external interference, coercion, intimidation or pressure.

"6. The heads of government deplored the continued absence of a settlement between Belize and Guatemala. They reaffirmed their full support for the territorial integrity of Belize and its efforts to conclude a lasting settlement with Guatemala.

"Noting that the prime minister of Belize had informed the conference that there were new elements which made for further deterioration of the situation, namely: Guatemala's reneging on the London heads of [government's] agreement and the recent supply of additional armaments to that country, they called upon the Government of Guatemala to respect the independence and territorial integrity of Belize. They agreed that efforts should be intensified at all levels, and particularly at the Commonwealth level, to strengthen the security of Belize.

"7. The heads of government also expressed their concern at the persistence of the controversy between Venezuela and Guyana arising from Venezuela's claim that the arbitral award of 1899, on the basis of which the boundary between Guyana and Venezuela was settled, was null and void.

"Recalling their concern for the sanctity of treaties and for defined and demarcated boundaries, the conference took note of the unqualified undertaking given by the Government of Venezuela to eschew the use of force as a means of settling the controversy and urged similar restraint in respect of any action likely to hinder the economic development of Guyana. The leaders called for the continued pursuit by the parties of a peaceful settlement of the controversy in accordance with established procedures.

"8. The heads of government noted with concern that Commonwealth Caribbean countries, especially the small island states, were particularly exposed to the crippling effects of the world economic recession including high interest rates, high cost of energy, and low commodity prices. They agreed that the increased provision of development assistance was critical.

"While expressing appreciation for current international aid efforts for the region, they emphasised that in general the quantum and quality of aid now available fell short of the urgent and clearly defined needs of the region, and urged that timely efforts be made to expand the aid and to accelerate its delivery. They stressed that the recipient states should be fully associated with all stages of the aid process to ensure that the provision of aid was not dictated by external considerations and perceptions but by the needs and priorities of the recipient states.

"9. In this connection, the heads of government expressed their particular appreciation of the quantum of aid provided by Trinidad and Tobago to Commonwealth Caribbean countries and institutions (amounting to more than 400 million U.S. dollars over the last decade) and the methods of making such aid available.

"10. The heads of governments also stressed the importance of investment in the Caribbean economies and improved access to markets for the products of the Caribbean.

"In this latter context they took note of the opportunities for trade and investment available under the 1979 Canada-Caricom joint trade and economic agreement [JTEC] and agreed that possibilities for improvement shall be pursued at the next meeting of the JTEC.

"In the context of the wider North American market, they expressed concern at the delay in approving the proposals of the U.S. administration to provide duty-free access for a variety of Caribbean products. They expressed the hope that these proposals would be implemented as soon as possible and in an innovative enough manner to provide valuable incentives for investment and trade in the Caribbean.

"11. Following the recent successful meeting of Caricom heads of government in Jamaica in November 1982, the heads of government reaffirmed their conviction that the Caribbean Community (Caricom) continues to provide the most effective instrument for the rapid social and economic development of its member states and for the preservation of their security. They declared that every effort should be made to maintain the integrity of Caricom institutions and enhance their effectiveness.

"They welcomed the progress made in deepening sub-regional integration in the eastern Caribbean through the efforts of the OECS, a process which must continue to be supported as being of great benefit to the region as a whole.

"Finally, they noted the continuing progress of the Caribbean Development Bank as the region's leading multilateral financial institution and strongly endorsed the bank's current efforts to mobilise additional hard and soft resources from both inside and outside the region for on-lending to both the public and private sectors of the economies of the region.

"12. The heads of government recognised that small island states require a special regime to address their particular development problems. They agreed to support efforts to urge the World Bank and the IMF to initiate studies on the special needs of small island states.

"13. The Commonwealth Caribbean heads of government noted that the Government of Canada had decided to further develop its long-standing relations with the Caribbean governments on a priority basis and welcomed the re-affirmation of the prime minister of Canada that this policy would continue unabated. In this context, the prime minister of Canada reiterated his government's intention to maintain the target of doubling its development assistance to the area by 1986.

"14. Caribbean leaders noted with satisfaction that in its aid programme to the region, Canada had always sought to promote efforts at regional integration and cooperation and to support multilateral regional institutions such as the Caribbean Development Bank, the Caribbean Community Secretariat, the University of the West Indies and similar regional institutions. They welcomed the announcement by the Canadian prime minister of an annual small projects assistance fund for the Caricom Secretariat commencing at the level of 150,000 dollars (Canadian) for 1983/84 to be administered by the Canadian High Commission in Georgetown, a project for the training of young Commonwealth Caribbean diplomats, and other initiatives.

"They expressed the hope that in the future Canada would expand its support to bodies such as the Caribbean Food Plan, the Caribbean Research and Development Institute (CARDI), the West Indies Shipping Corporation (WISCO), the Leeward Island Air Transport Service [LIAT], and the Caribbean Examinations Council (CXC), and would assist efforts in the region to rationalise air and sea transportation.

"The Caribbean leaders also welcomed the steps recently taken by Canada through Petro-Canada International Assistance Corporation to cooperate actively in the development of hydro-carbons both onshore and offshore in the Caribbean.

"15. The Caribbean leaders also noted with satisfaction that Canada in its aid and other relations with the region had never sought to impose its own philosophy and perceptions on Commonwealth Caribbean countries but had sought to respond to the needs and priorities of the countries themselves.

"16. The heads of government noted with satisfaction that the Caricom heads of government, at their meeting at Ocho Rios in Jamaica, had reaffirmed their commitment... to the principle of political, civil, economic, social and cultural rights of the peoples of the region in accordance with the universal declaration of human rights, the international covenant on civil and political rights and the international covenant on economic, social and cultural rights. They agreed to continue to promote these rights in their respective countries.

"17. The heads of government expressed their strong conviction of the urgent need for the world community to strive vigorously for the elimination of nuclear weapons and a reduction in the transfer and use of conventional weapons leading eventually to general and complete disarmament. They agreed that the increase in world tensions makes it even more urgent to bring to an end to the arms race with its vast wastage of resources and to reallocate those resources to the global eradication of human misery, persistent poverty and underdevelopment.

"18. The heads of government welcomed the completion of the law of the sea negotiations and the strong endorsement the draft convention received from nearly all members of the international community at the recent signing ceremony in Jamaica.

"They appealed to those countries which have expressed reservations to recognise that the treaty provides a severe and stable atmosphere for the ordering of the uses of sea and its resources and strongly urged all countries to ratify the convention as soon as possible. They noted with particular satisfaction that the preparatory commission will be holding its first meeting in Kingston from March 15, 1983 and expressed the hope that it will be able to effectively address the many issues on its agenda.

"19. The heads of government expressed anxiety at the damaging effects of all countries, particularly the developing countries, of the lengthening shadows of recession and the limited indications of recovery. Particular concern was expressed at the unsatisfactory situation of the small exposed economies and the poorer countries which faced lower rates of growth, deteriorating terms of trade, weak export markets, high interest rates and growing levels of indebtedness. They agreed that these problems require an imaginative, immediate and concerned response from the world community.

"They considered that the forthcoming international meetings, especially the non-aligned summit in March, the OECD and G77 ministerial meetings in April, the Western economic summit in May and UNCTAD VI in June, should be occasions for advancing the major decisions required.

"The heads of government expressed appreciation of the decisions taken by the recent meeting of the interim committee of the international monetary fund to provide greater balance of payments support for deficit countries. But in light of the desperate situation of some countries, and the strains on the world financial and monetary system, they urged the IMF to examine without delay the question of further allocations of SDR's and called for an emergency meeting of the board of governors of the IMF thereon.

"20. The heads of government expressed their deepening concern with the continuing impasse in the North/South dialogue, the growing interdependence between the North and South so dramatically being demonstrated in the current worldwide economic crisis and the strong interrelationships of progress in the dialogue for a strong world recovery.

"In this connection, they welcomed the recommendations of the second report by the Brandt Commission on "cooperation for world recovery" as providing a basis for the consideration of emergency action at forthcoming international discussions.

"21. The heads of government reaffirmed their full support for the United Nations and the principles of the charter. They particularly emphasised the absolute importance that international disputes must be settled peacefully and in accordance with Article 2 of the charter.

"They agreed that all members of the United Nations must increase their support for the world organisation and seek ways and means to strengthen its effectiveness as an instrument for development and the preservation of peace and security.

"22. The heads of government reaffirmed their view expressed at the Commonwealth heads of government meeting in Melbourne that as an association of aligned and non-aligned states, the Commonwealth was uniquely placed to make a substantial contribution to defusing international tensions in a divided world.

"They agreed that this was especially true in regard to the Caribbean region where the Commonwealth nations have been able to achieve and maintain their independence and pursue their own paths of political, social and economic development with a rejection of violence, the promotion of political freedom and the complete absence of international conflict.

"23. The heads of government expressed their deep appreciation to the prime minister and the Government of Saint Lucia for the generous hospitality and excellent facilities provided for their meeting and also expressed their appreciation to the conference secretariat for its assistance and support facilities."

OECS ASKS JAMAICA FOR PREFERENTIAL TREATMENT

FL221630 Bridgetown CANA in English 1506 GMT 22 Feb 83

[By Ernie Seon]

[Excerpt] Castries, St Lucia, Feb. 22, CANA -- Jamaica is considering a proposal from the Organisation of Eastern Caribbean States (OECS) to give exports from the seven countries preferential treatment so as to maintain their present level of trade with Kingston, Jamaica's Prime Minister Edward Seaga has said.

The request, put to Mr Seaga by chairman of the OECS, Antigua and Barbuda's Deputy Prime Minister Lester Bird, arises out of Jamaica's introduction of a two-tiered currency exchange system that has made goods from the OECS more expensive on the Jamaican market. The two leaders met yesterday for talks, the outcome of which was disclosed here last night by Mr Seaga.

"What is being requested is that Jamaica should carve out a quota for the OECS states to enable them to have a guaranteed market which they will not be able to obtain in a free trading system under the present arrangement," the Jamaican prime minister said.

He added, "we will consider this, but I must point out that of the 13 million in trade which is involved in Jamaica's exports from the OECS states, some 24 million are already on the official rate and are therefore not a part of this problem." Mr Seaga, who is also finance minister, pointed out that what remained was 5 or 6 million dollars of trade on the parallel market.

TALKS ON LOME CONVENTION BEGIN IN KINGSTON

FL181528 Bridgetown CANA in English 1420 GMT 18 Feb 83

[Text] Kingston, Jamaica, Feb 18, CANA -- A fact finding mission from the European Parliament has begun meetings here with senior Jamaican Government officials on the Lome Convention, which governs cooperation between the European Economic Community (EEC) and the African Caribbean and Pacific (ACP) group of countries. The Foreign Ministry said the team, led by Giovanni Bersani, vice chairman of the Parliament's committee on development, met a Jamaican group headed by the permanent secretary in the Foreign Ministry, Frank Francis.

The Foreign Ministry gave no details of the talks but said that they took place in the context of next week's meeting of the joint ACP-EEC consultative assembly to be held here. The second Lome Convention expires in February 1985 and negotiations for a new agreement are expected to begin later this year.

ACP-EEC Meeting Opens

FL212146 Bridgetown CANA in English 2115 GMT 21 Feb 83

[Text] Kingston Jamaica, Feb 21, CANA -- Parliamentarians and officials from 63 African, Caribbean and Pacific (ACP) countries and the 10-member European Economic Community (EEC) begin a week-long meeting here tonight which officials believe could set the tone for coming negotiations for a successor agreement to the Lome Convention, the aid and trade pact that links the two blocs.

The Kingston meeting is of the joint committee of the ACP-EEC consultative assembly, a body that meets once a year, according to the Lome Convention, "to consider ways and means of strengthening cooperation between the European Community and the ACP states." Its joint committee, essentially a smaller working group of the assembly, meets twice a year to review the past assembly, and issues for the coming one.

The assembly generally influences decisions of ACP/EEC issues and the meeting here takes on added significance because it comes on the eve of negotiations starting this summer for the new pact to replace the second Lome Convention which expires in 1984. Both sides are dissatisfied with the working of elements of the treaty.

"This meeting takes on greater poignancy because it comes just before the start of the September negotiations, and you could say it might be a kind of starting point," said James Pond, a European Parliament spokesman.

The draft agenda for the meeting contains a number of issues that will loom large during negotiations for the new agreement, and none more important than Stabex. Stabex is a price stabilisation scheme to provide a buffer for ACP countries when market prices for their primary export commodities dip, but the fund has been insufficient to meet the calls made on it.

The ACP countries have been asking the EEC to put more into Stabex to meet their needs and the whole issue is expected to be discussed when the joint committee considers a Seychelles resolution that the scheme be widened to allow to cover tourism.

Underlining the importance of the Stabex discussion, one EEC official declared: "At first, Stabex worked very well. But in recent years it has not been able to meet the requirements and the ACP group is disillusioned with Stabex."

Also of importance will be discussions on ACP-EEC industrial cooperation and the delegation and the delegates will have an interim report on the subject. The previous Lome agreement envisioned cooperation in industrial development and technology transfer, but both sides have agreed that this aspect of the pact has generally been a failure.

In another aspect Mauritania and Somalia will present a progress report on plans for ACP-EEC cooperation in the development of fishing in ACP countries which could be a new element in the successor agreement. Issues of cultural cooperation are also expected to be discussed and the ACP members are expected to express strong dissatisfaction with recent moves in Britain and Belgium to increase the cost of students studying there as well as France's requirement that overseas students register with the police, officials said.

A particularly touchy issue will be the discussion of the situation in southern Africa with particular reference to the recent raid into the Lesotho capital of Maseru. The last consultative assembly in Zimbabwe voted to recommend economic sanctions against South Africa, but officials here said that conservative European members of the group were likely to attempt to profer a resolution to overturn that decision.

The argument of the conservatives is that economic sanctions will not erode South Africa's apartheid system, and that further the issue of human rights needed to be addressed in many ACP countries.

The sugar protocol between the ACP and the EEC should be a matter that also receives attention, for ACP cane sugar producers have been worried that highly subsidised European beet sugar will hamper their access to the EEC market.

It is not directly listed on the draft agenda, but a subject likely to be extremely well aired at the meeting is the form of the future agenda. EEC Commissioner for Development Edgard Pisani would like a permanent convention which would not require negotiation every five years, with only specific details being addressed from time to time. However, a consensus on this matter has not yet begun to emerge.

ACP Proposals to EEC

FL221830 Bridgetown CANA in English 1807 GMT 22 Feb 83

[By Paget Defreitas]

[Text] Kingston, Jamaica, Feb. 22, CANA -- The Africa, Caribbean and Pacific (ACP) group of developing countries last night presented the 10-member European Economic Community (EEC) with a list of proposals, ranging from the removal of barriers against manufactured goods to cooperation in culture, which the ACP felt were essential for the strengthening of cooperation between the two under a successor agreement to the Second Lome Convention, which expires in 1984.

The ACP's recommendations for a stronger pact were presented by Ugandan Francis Butagyira as he addressed the opening of a one-week meeting here of the joint committee of the ACP-EEC Consultative Assembly -- a body of parliamentarians and nominated officials that discusses issues arising out of the agreement.

Mr Butagyira told the meeting that despite its weaknesses, the Lome Convention, an aid and trade pact between the EEC and 63 developing states, remained a solid example of North/South cooperation. His suggestions were merely for its improvement, he said.

Trade has been a particularly sore point with ACP members as the value of their exports to Europe has declined while EEC sales to the developing world have increased. "Part of the problem has been brought about by protectionist practices on the part of the Community," the Ugandan parliamentarian, who is a co-chairman of the meeting, declared. "It has proved difficult for ACP manufactured goods to gain access to Community market. On the other hand, this has not been the case with some raw materials, thus perpetuating the old colonial patterns whereby colonies were looked upon to supply raw materials for industries in developed countries," he added.

Negotiations on the next Lome convention start this summer and go through to 1984.

Mr Butagyira said too that the group had been hampered by competition from non-ACP states which undermined the "contractual relationship between ACP and EEC countries. We would like to see in the successor convention an unequivocal undertaking not only to observe the letter of the convention, but the spirit as well," Mr Butagyira said. He added: "We would like to see a system whereby certain selected manufactured goods from the ACP countries are guaranteed markets in the EEC countries....the Community may undertake not to compete with ACP with regard to certain manufactured goods."

He also suggested the creation of an agency which would monitor trends in trade as well as make sure that in practical terms the convention was working satisfactorily. The Ugandan delegate pointed out that related to trade was the heavy debt burden and balance of payments deficits carried by many ACP members, and said that the group wanted a facility created specifically to deal with this problem. He did not say how it was anticipated that this facility would work.

The ACP countries wanted the convention strengthened to help them achieve self-sufficiency in food production as well as in the development of the rural sector and in this regard called for "the establishment of a bank for rural development." Mr Butagyira said that better methods for extending credit and for loan repayments needed to be considered and he recommended that "loans should be tied to crops or what is produced, rather than basing them on the complicated issue of land title."

Another direct suggestion from the ACP was for the new convention to ensure its participation through the committee of ambassadors in the arrangements for the releasing of money from the European Development Fund (EDF).

Mr Butagyira said too that the ACP also wanted the Brussels-based industrial development centre to be "turned into an effective instrument for industrial development" rather than to continue as a republic relations exercise. "To do its job effectively, it needs funds of its own and the successor convention should therefore cater to this," he added.

For Stabex, the price stabilising scheme that is to provide ACP countries with a buffer against significant decline in the prices for agricultural commodities, Butagyira struck the regular ACP theme. Said he: "More funds should be made available to the scheme and transfers to qualified ACP states effected quickly." It was also suggested that the scheme be broadened to include "a wide range of products of economic significance to the ACP."

"To supplement Stabex we call on the Community to participate actively in world commodity agreements," the ACP officials said. The resources allocated the Stabex have been inadequate to meet calls on it from ACP members, and its funds dried up after only the second year of Lome Two.

The ACP also wanted Sysmin, the system covering minerals, to be expanded but left flexible so that it could be adjusted from time to time if necessary, and for its operation to be equated to Stabex, Butagyira said. The ACP wanted the sugar protocol maintained in the new agreement and said that suggestions that the group should find alternative markets for the product, using the EEC only as a last resort, were unacceptable.

The ACP has been concerned about increasing production of subsidised European beet sugar which cane sugar producers fear could eventually wipe out their market. The group also called for an improvement in the method of negotiating guaranteed prices for ACP sugar, taking into account all economic factors and for member states to be involved in the discussions with the EEC from the start rather than being presented with a fait accompli.

They also wanted an improvement in the sugar quota system, with room for increases as more and more countries acceded to the protocol. Said Butagyira: "Provisions should be made whereby if a country fails to meet its quota, it should be eligible for full restoration of its original quota if and when it is in a position to supply. They definition of force majeure could be further expanded and made more flexible." He also suggested that financial assistance and technological know-how be made available to ACP sugar producers to help improve production.

Mr Butagyria's co-chairman of the meeting, Italy's Giovhnni Bersani, who had spoken earlier, noted that the Lome Convention, despite its many strengths and its leading the way in North/South relations, had problems. But these were matters to be negotiated, he added. "Difficulties should not distract us from the aims we believe in and we must sit down at a common table and negotiate," he said.

The speaker of the Jamaica House of Representatives, Talbert Forrest, who addressed the opening session of the conference, also stressed the need to maintain EEC/ACP co-operation and the importance of dialogue. Said he: "We safeguard the principles and objectives upon which the relationship is based, preserve its essence, while at the same time ensuring that any further arrangement will take fully into account the challenges and realities, and will address these adequately."

'Nigeria Issue' Disputed

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[Excerpt] Kingston, Jamaica, Feb. 22, CANA -- African, Caribbean and Pacific (ACP) countries today fought off a strong, conservative-led European attempt to have Nigeria's recent expulsion of nearly one million illegal immigrants placed on the agenda of a meeting here of parliamentarians from both blocs, sources close to the two sides reported. After a stormy two-hour debate, delegates attending the conference of the joint committee of the ACP/EEC consultative assembly voted 47-44 to reject the proposal.

ACP delegates, including those from African countries affected by the Nigerian expulsion order, voted against having the issue discussed, which was seen by the developing countries as an attempt to undermine later debate on atrocities perpetuated by the racist regime in South Africa. Eight delegates from European Socialist Parties abstained from the vote.

Nigeria had expelled the immigrants, accusing them of causing trouble, and also because of its own economic problems. But some officials denied that the immigrants were mistreated in any way.

Following the debate, the Nigerian ambassador in Brussels, Peter Afolabi, said that Nigeria was not averse to discussing the issue, but that this was not the forum for it. "We told them that this is an ACP issue and that we would deal with it among ourselves," he said. Mr Afolabi said too that the problem was being discussed within the Organization of African Unity (OAU) and among the countries of the Economic Commission of West African States (ECOWAS). "They (the Europeans) want to divide us and raise the issue about human rights in order to deflect attention from southern Africa," he added.

Andrew Pearce, a Conservative British member of the European Parliament and a driving force against hardline positions on southern Africa, claimed victory for the conservatives despite not being successful in getting the subject on the agenda. "It was done during procedural arguments, but we succeeded for the first time in having a human rights issue in an ACP country discussed in an ACP/EEC forum," he said. "The committee and the consultative assembly cannot be a place just for the ACP to criticise the EEC, its politicians and its people," he added.

Mr Pearce said that the conservatives were not against the situation in southern Africa being discussed, "but we are concerned about human rights and say that you cannot just focus on South Africa and ignore human rights violations elsewhere." The British politician has a resolution to be put to the meeting calling for a human rights clause to be inserted into the preamble to a successor agreement to the Second Lome Convention, when the present arrangement expires in 1985.

But many ACP officials here also see that revolution as another ploy to gain a soft approach towards Pretoria's white minority regime. "He is trying to use human rights to direct attention from South Africa," Ambassador Afolabi said.